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FOREIGN MARKET STUDY ON
BRAZIL

Prepared by:

Foreign Market Development Section
Industrial and Marketing Studies Branch
Research Services Division
Ministry of Industry and Tourism

JT
July, 1973.

F O R E W O R D

Export marketing research is a subject of considerable interest to our Ministry, to Ontario manufacturers and to businessmen who may be interested in exports. The Foreign Market Studies which are undertaken by our Section, are written for the use of our Ministry and members of Ontario's foreign trade missions. These studies depict the economic background of the countries that will be visited. For this reason our Foreign Market Studies are, in the first instance, working documents designed for the use of the Ministry and cannot be taken in their entirety as expressing the opinion or position of the Ministry of Industry and Tourism.

Equivalents of metric, Imperial and U.S. units of measure

Metric Units	Imperial and U.S. Equivalents	Imperial and U.S. Units	Imperial and U.S. Units	Metric Equivalents
<u>Length -</u>				
1 centimetre (cm).....	0.394 inch	1 inch.....	2.540 cm	
1 metre (m).....	{ 3.281 feet	1 foot.....	30.480 cm	
	{ 1.094 yard	1 yard.....	0.914 m	
1 kilometre (km).....	{ 0.621 mile	1 mile.....	1609.344 m	
	{ 0.539 int. naut. mile	1 International nautical mile.....	1852.000 m	
<u>Area -</u>				
1 square centimetre - cm ² ...	0.155 square inch	1 square inch.....	6.451 cm ²	
1 square metre - m ² ...	{ 10.764 square feet	1 square foot.....	9.290 dm ²	
	{ 1.196 square yard	1 square yard.....	0.836 m ²	
1 hectare - ha.....	2.471 acres	1 acre.....	0.405 ha	
1 square kilometre - km ² ...	0.386 square mile	1 square mile.....	2.589 km ²	
<u>Volume -</u>				
1 cubic centimetre - cm ³ ...	0.061 cubic inch	1 cubic inch.....	16.387 cm ³	
1 cubic metre - m ³	{ 35.315 cubic feet	1 cubic foot.....	28.317 dm ³	
	{ 1.308 cubic yard	1 cubic yard.....	0.765 m ³	
<u>Capacity -</u>				
1 litre (L).....	{ 0.879 Imp. quart	1 Imperial British quart.....	1.136 L	
	{ 1.057 U.S. liq. quart	1 U.S. liquid quart.....	0.946 L	
	{ 0.908 U.S. dry quart	1 U.S. dry quart.....	1.101 L	
	{ 21.997 Imp. gallons	1 Imperial gallon.....	4.546 L	
1 hectolitre (HL).....	{ 26.417 U.S. gallons	1 U.S. gallon.....	3.785 L	
	{ 2.749 Imp. bushels	1 Imperial bushel.....	36.369 L	
	{ 2.838 U.S. bushels	1 U.S. bushel.....	35.239 L	
<u>Weight or Mass -</u>				
1 Kilogramme (kg).....	{ 35.274 av. ounces	1 av. ounce.....	28.349 g	
	{ 32.151 troy ounces	1 troy ounce.....	31.103 g	
	{ 2.205 av. pounds	1 av. pound.....	453.592 g	
		1 centerweight (100 lb.).....	45.359 kg	
		1 hundredweight (112 lb.).....	50.802 kg	
1 ton -	{ 1.102 short tons	1 short ton.....	0.907 t	
	{ 0.984 long tons	1 long ton.....	1.016 t	

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B R A Z I L



RESUME

Brazil, one of the largest countries in the world, has rich deposits of minerals, an abundance of forest products and widespread areas of fertile farmland. Brazil is one of the world's important agricultural and livestock producing nations and her manufacturing industry is progressing rapidly. Economically, there seems to be no obstacle to a period of rapid growth for Brazil in the next few years.

In 1971, Brazil's GNP growth of 11.3% was higher than that of any other country in the world. In 1972, growth was 10.4% in spite of poor agricultural performance, due to adverse weather conditions. A growth of 10% is foreseen for 1973.

Manufacturing was an important part of Brazil's economic activities even before the Second World War, but the difficulties and opportunities during the war did much to consolidate and increase Brazilian industry. Industrial expansion has been the most significant feature of the Brazilian economy in recent decades. While domestic capital played a major role in this development, it was supplemented to an important degree by foreign capital. Industry presently accounts for approximately 35% of the GDP and 19% of employment.

Initially, Brazil was a producer primarily of consumer goods, but in recent years the heavier type industries have assumed importance. Now, Brazil has a large, relatively sophisticated, industrial sector, ranging from basic industries such as steel, chemicals and petro-chemicals to finished consumer goods.

On an individual basis, food processing industries lead in value of output. Metal processing, chemicals, textiles and transportation are also important. Other significant industries include machinery, non-metallic minerals, electrical and communications equipment, wood furniture, clothing and shoes, rubber and leather.

One result of the increase in industrial activity has been the great rural-urban and inter-regional migration. In 1940, nearly 70% of the population was rural, compared to under 50% today.

Although agriculture has not been a leading growth sector in Brazil over the past two decades, it remains of major importance. It accounts for about 60% of Brazil's foreign exchange earnings, and it provides employment for nearly 42% of the labour force.

Brazil's Gross National Product in 1972 was approximately \$50 billion, giving a per capita income of about \$500. The regional distribution of income in Brazil is uneven, however; in the Northeast, the per capita income is half of the national average while in the Rio de Janeiro area, it is over two times the national average. This poses serious social-economic problems and limits the size of the consumer market.

Despite continued efforts to bring down the rate of inflation, living costs rose about 19% in 1970 and 1971 and 15% in 1972. With inflation continuing, the government plans to pursue the policy started in 1968 of making small and frequent devaluations.

Brazil's most recent planning document for the years 1972 - 1974, emphasizes the raising of the efficiency of public and private enterprises; incorporating the resources, both human and material of the Northeast and Amazon into the money economy; and to expanding foreign trade, particularly exports of manufactured goods and chemicals.

Brazil's National Development Plan 1972-74, calls for massive government spending in a number of industrial sectors. The main goals are to increase industrial production by 46%, steel capacity by 107%, electrical capacity by 49%, petroleum refining by 50%, highway network by 62%, and chemical output by 150%. Included also is a continued emphasis on increased agricultural production and on the existing agricultural development programmes for the north and northeast areas. Other priority sectors for investment include education, housing and health.

The administration places great stress on regional development, particularly in the Northeast. In 1970, the Programa de Integracao Nacional (PIN) was introduced to accelerate development in the poverty-ridden Northeast, and largely untapped Amazon. The basis of this development is the vast Transamazon Highway. In 1972, a five-year land redistribution programme (Proterra), for the Northeast and Amazon regions, was put into effect. These projects are financed in part out of incentive tax credits to companies for regional and sectoral investment.

Another regional development programme Prodoeste, concentrates on developing the Centre-West (Brasilia and the States of Goias and Mato Grosso) and the rest of the country. In 1972, Provale was launched to develop the Sao Francisco River Valley.

Brazil's economic growth in the past has been aided by substantial borrowing abroad. Brazil is being given increasingly more attention by international lending agencies such as Inter-American Development Bank, World Bank and Eximbank. In 1973, each is extending about \$200 million in loans to Brazil.

Brazil's foreign trade is expanding and in 1972 she imported \$4.2 billion worth of goods and exported \$4 billion. Although coffee remains the most important single export, an important development in recent years has been the increase of export of manufactured goods and non-traditional agricultural products. Exports and imports both increased in 1972, but the merchandise trade continued to be in deficit.

The U.S. is Brazil's major trading partner, although its share is declining. In 1972, Canada's exports to Brazil amounted to \$86.2 million and her imports from there amounted to \$61.7 million.

Brazil's current account remained in deficit in 1972, but this was more than offset by a large net capital inflow of about US\$ 4 billion. Brazil's foreign reserves continue to rise and in 1972 reached over US\$ 4 billion. However, Brazil has a very high level of foreign indebtedness with the total foreign debt rising from US\$ 4 billion in 1969 to almost US\$ 10 billion by the end of 1972.

Brazil has a positive attitude towards foreign investment and is particularly interested in investors who plan to increase the technological base or increase exports of manufactured foods. Joint ventures are also welcomed. The U.S., Canada and West Germany are the major investors. This favourable attitude in contrast with other Latin American countries makes Brazil one of the most promising countries in Latin America for private investment, both domestic and foreign.

Brazil's booming economy and stable political climate, offer a number of opportunities for Canada to expand her exports to Brazil. There are favourable prospects for continued heavy demand for imports needed to supplement domestic production and help to achieve fulfillment of the Brazilian development plans. As a member of the World Bank and Inter-American Development Bank, Canada may compete for contracts to supply goods and services financed by those organizations. The principal sectors these organizations are financing include: steel, highways, iron ore, hydro-electric power and agriculture.

The Industrial Development Council's (CDI) selection of industries for incentive benefits provides an indication of the types of equipment which will find a good market in Brazil. The industries selected include: fertilizers, cast-iron, petrochemicals, shipbuilding, steel, automotive, textiles, earthmoving equipment, machine tools, cement and telecommunications equipment.

Export opportunities appear to be favourable for mining and construction machinery, equipment and materials, aircraft and parts, steel making equipment, textile machinery, transportation equipment, chemical and petrochemical equipment and scientific and medical instruments and apparatus. A demand also exists in the field of electronics, automation, instrumentation, computers, control systems and their associated products.

Sales prospects are also good for fertilizers, refrigeration and storage equipment, and food processing and packaging equipment, due to the emphasis being placed on agricultural development.

BRAZIL

AREA: (Sq. Miles) 3,286,473 (71)

POPULATION: 100 million (72)

Density (per sq. mile) 32 (72)

Capital City Brasilia 546,000 (71)

5 Other Main Cities Sao Paulo 6.0 million (71)
Rio de Janeiro 4.3 million (71)
Belo Horizonte 1.3 million (71)
Recife 1.1 million (71)
Salvador 1.0 million (71)

COMMUNICATIONS:

Railways (miles) 22,093 (71)
Automobiles 2.2 million (71)
TV sets in use 6.5 million (71)
Telephones in use 2.0 million (71)

AGRICULTURE:

Production of Main Crops
(million tons) Coffee 1.7 (70)
Cotton 2.1 (70)
Sugar Cane 91.1 (70)
Cocoa .226 (70)

Livestock:
(million) Cattle 97.9 (70)
Sheep 24.7 (70)
Pigs 66.4 (70)

INDUSTRIAL PRODUCTION:

(million tons) Cement 11.2 (72)
Crude Oil 8.3 (72)
Pig Iron 5.3 (72)
Crude Steel 6.5 (72)
Motor Vehicles 614 (000) (72)

EMPLOYMENT:

Agriculture 42% (72)
Industry 19% (72)

FOREIGN TRADE:

Total Imports (\$ billion) 4.2 (72)

Main Items:

Machinery and equipment	43%	(72)
Chemical products	18%	(72)
Metal products	11%	(72)
Petroleum	9%	(72)

Total Exports (\$ billion) 4.0 (72)

Main Items:

Green coffee	25%	(72)
Sugar	10%	(72)
Soybean	7%	(72)
Cotton	6%	(72)

TRADE WITH CANADA AND ONTARIO - 1972.

Canadian Imports from Brazil (\$ million) 61.7

Main Items:

Green coffee	21.4
Frozen orange juice	4.6
Canned corned beef	3.5
Instant coffee	3.5

Canadian Exports to Brazil (\$ million) 86.2

Main Items:

Wheat	20.4
Newspaper	15.2
Aluminium pigs, ingots	5.7
Potassium chloride, muriate	4.0

Ontario Exports to Brazil (\$ million) 19.5

Main Items:

Nickel anodes, cathodes, ingots, rods	2.0
Sheet and strip steel, n.e.s.	1.5
Switch gear & protective equipment	1.2
Generator parts & accessories, n.e.s.	.9

GENERAL INFORMATION

1. Geography and Climate

With an area of 3,286,473 square miles, Brazil is the fifth largest country in the world, ranking after the Soviet Union, Canada, the United States and China. It has a land frontier of 9,768 miles with 4,603 miles of coastline. In the north, Brazil is bordered by Guyana, Surinam, French Guiana, Venezuela and Colombia; on the west by Peru and Bolivia; and on the south by Paraguay, Argentina and Uruguay. On the east side is the Atlantic Ocean.

Brazil is essentially formed by a plateau, the highest edge of which is known as the Great Escarpment. 57% of Brazil is made up of highlands. Lowland areas, which cover 40% of Brazil, include the narrow strip of coastal plain between the Great Escarpment and the coastline. More than half of Brazil lies at about 650 feet above sea level.

Brazil has one of the most extensive river systems in the world. The three most important navigable rivers in Brazil are the Amazon, the Sao Francisco and the Parana-Paraguay.

The Amazon is navigable by ocean steamers to a distance of 2,300 miles upstream to Iquitos in Peru, and its tributaries drain the entire northern region of the country or 56.25% of its total area. The Sao Francisco, over 1,600 miles in length, is the only major river entirely within Brazilian territory.

The Federal capital is Brasilia, a new city inaugurated in 1960. According to the 1970 census provisional figures, it had a population of 546,000. Rio de Janeiro had a population of 4.3 million. With a population of approximately 6 million, Sao Paulo is, after Buenos Aires, the largest industrial, banking and trading centre in South America. Other important cities are Belo Horizonte with 1.3 million population, Recife with 1.1 million population and Porto Alegre with 0.9 million inhabitants.

The two largest Brazilian ports are Santos and Rio de Janeiro, followed by Vitoria, Porto Alegre, Rio Grande and Recife.

The Brazilian climate varies from tropical to temperate. In most areas the annual temperature ranges between 60° F and 83° F. Frost occurs with some frequency in the three most southern states. Heavy rainfall and relative humidity are encountered in the Amazon region and on the East Coast.

Brazil is free from earthquakes, cyclones, hurricanes and similar disturbances.

2. Human Resources

Brazil is the most populous country in South America, and accounts for one-third of the population of Latin America. In 1972, Brazil had a population of approximately 100 million people compared to 70.9 million in 1960. With one of the fastest growing populations in the world, Brazil is expected to have 123 million inhabitants by 1980 and approximately 230 million by the year 2000.

The basic Brazilian ethnic stock is Portuguese, but there are important and largely assimilated African and American Indian components. During this century there has been an influx of immigrants, primarily Italian, German and Japanese. Brazil has been called the greatest melting pot of people in the world and racial friction is almost non-existent.

At present, Brazil is faced with a "population explosion", which tends to become more acute as medical care and health conditions improve. About 53% of the population is under the age of twenty.

Internal migration in Brazil is high, and a significant change in the past two decades has been the massive migration from country to town. In 1940, 31% of the total population was considered urban, 45% in 1960 and 58% in 1972. The population of centres with more than 10,000 inhabitants is growing faster, in relative terms, than the total urban population, reflecting a marked process of concentration.

As a consequence of this migration, the agricultural sector of the labour force has declined from 58% in 1950 to 52% in 1960 to about 42% in 1972. Urban employment in services has shown the highest rate of growth, for while industrial production has increased it has done so through mechanization rather than additional manpower. Industry accounts for about 19% of the labour force.

One result of the internal migration from rural to urban areas is that the cities have not been able to absorb the additional labour force. The lag in investment and the lack of training of the rural population, have resulted in the formation of slum areas adjacent to the large cities.

The overall percentage of illiterates among Brazilians over fifteen years of age is 33%. In the rural areas, however, this percentage is higher. The government has set three

major objectives in education - to improve the quality of instruction, to raise enrolment and to integrate education with Brazil's policy for scientific and technological development. The proportion of the national budget assigned to education has risen from 5.6% in 1963 to 11.3% in 1969 to 15% in 1973.

3. Constitution and Government

The Brazilian Constitution establishes a presidential system with three levels of power: the executive, the legislative and the judicial. Legislative power is exercised by the National Congress which is composed of the Chamber of Deputies and the Federal Senate. Executive power is exercised by the President, aided by the Ministers of State. Judicial power in the Union is exercised by the Supreme Federal Tribunal, the Federal Recourse Tribunals and Federal Judges.

Brazil is officially the Federative Republic of Brazil, comprising twenty-two states, four territories and the Federal District.

A new constitution was promulgated on October 17, 1969, in which conditions for the establishment of political parties are eased. Congressional representation will be achieved when 5% of the total electorate votes for a party, with a minimum of 7% of the vote in each of the seven States.

The President is General Emilio Garrastazu Medici.

STRUCTURE OF THE ECONOMY

1. General

In 1971, Brazil's GNP growth rate of 11% was higher than that of any other country in the world, with the industrial and agricultural sectors increasing 11.4% and 11.2% respectively. This was the climax to a four-year period of rapid expansion after 1967, when the policy of economic restraint started in 1964 was loosened. Growth of the GNP in 1969 was 8.5% and in 1970 was 9%. The growth rate for 1972 of 10% was slightly down, with rises of over 14% in industrial production but only 4% in agriculture due to poor coffee and wheat crops.

Economic development in Brazil is taking place through accelerated growth of the industrial sector. Brazil's principal industries are the production of automobiles, iron and steel, food processing, textiles and chemicals. Industry accounts for approximately 35% of the GDP and 19% of the labour force. It is mostly concentrated in the Sao Paulo area which accounts for about 60% of the country's industrial output.

The basic aims of Brazil's economic development policy are to increase significantly its own industrial capacity and limit import dependence to such commodities as fuel, chemical products and capital goods.

Agriculture continues to play an important role in the economy and more attention is being given to developing this sector in government policies. Agriculture employs about 42% of the labour force and accounts for nearly 20% of the GDP. Agricultural products are the major earner of foreign exchange, accounting for nearly 60% of Brazil's exports. Coffee alone accounted for 25% of total exports in 1972. Other important products are cotton, sugar, tobacco and rice. Livestock production is also of substantial importance to Brazil.

Recent efforts have been made to develop the country's fishing industry, having as their aim 900,000 tons a year.

Brazil has untapped resources of hydro-electricity and major projects are underway on the Parana River. Mining exploration and development is also being increased.

The recent economic policies of the Brazilian Government toward stabilizing the economy and curbing inflation have generally been successful. The favourable economic expansion during the period 1968-1972 provides a solid basis for optimism regarding Brazil's continuing growth in the 1970's.

2. Agriculture

Agriculture remains the principal field of employment in Brazil and agricultural products account for most of Brazil's foreign exchange. Brazil leads in the export of coffee and is one of the world's largest suppliers of cocoa, sugar, sisal, cotton, vegetable oils and waxes. The country is self-sufficient in most agricultural products except for a few temperate zone commodities such as wheat.

In 1972, agriculture production increased only 4%, compared to 11% in 1971, due to declines in coffee and wheat production because of adverse weather conditions. Excluding these items, overall crop production increased by about 10%. The outlook for agriculture in 1973 is generally favourable and production is expected to increase by 7-8%.

Approximately 45 million acres are cultivated with the major portion being in the four southern states of Sao Paulo, Parana, Santa Catarina and Rio Grande do Sul. Characteristic of the agricultural sector in Brazil is the number of small plots (minifundia).

The following reflects the general distribution of agricultural production:

- North: Rubber, wood and Brazil nuts.
- Northeast: Livestock, cocoa, sugar, palm oil and manioc.
- Southeast: Livestock, cocoa, coffee, manioc, beans and rice.
- South: Rice, dairy products, corn, coffee, soyabeans and wheat.
- Central-West: Livestock and subsistance food crops.

Brazil is the largest coffee-producing country in the world, accounting for over one-third of the world's coffee supply.

Previously, coffee provided over one-half of Brazil's export earnings, but with the rest of the economy expanding, the country's dependence on this product has been reduced. In 1972, coffee accounted for 25% of total exports compared to 41% in 1968. Nevertheless, coffee is expected to remain of major importance to the economy.

During most of the 1960's overproduction of coffee was a problem and a large amount of money was spent to encourage farmers to diversify to prevent further build-up of stocks. This diversification programme was just completed when frost hit Parana, the leading producer, followed by drought in Sao Paulo, another major producer. A serious threat to Brazil's coffee production at the present time is the spread

of coffee rust disease which is affecting the major producing areas.

The ideal production level to cover both domestic and export demand is about 28 million bags. In 1970, production was less than 10 million bags. In 1971, production increased about 120% but in 1972 it declined. It is expected to do so again in 1973 to about 16 to 18 million bags. This decrease will be compensated by higher international coffee prices. A programme to renew coffee plantations under way since June 1972, is to be speeded up.

Brazil is a member of the International Coffee Agreement [ICA] which has considerable influence in the coffee trade and the orientation of the flow of exports.

The trend towards increasing use of instant coffee offers Brazil the opportunity of significantly increasing its exports of manufactures.

Cotton is also an important export crop and in 1972 accounted for about 6% of Brazil's total exports. Parana is the chief cotton-producing state. The main buyers are Germany (East and West), the Netherlands, Hong Kong, Japan and Belgium-Luxembourg.

Brazil is an important world producer of sugar. Production is controlled by the government through the Sugar and Alcohol Institute. An annual plan establishes a quota for domestic consumption of sugar, allocation of exports of raw sugar, and the prices of sugarcane and sugar. In 1972, sugar accounted for about 10% of total exports.

Other agricultural exports of importance to the country are soyabeans, sisal, cocoa, tobacco and nuts.

Farm productivity in general in Brazil is low. Due to the smallness of the farms many are not suitable for mechanization and the use of fertilizers is limited because of relatively high prices.

Other problems hindering agricultural development have been inadequacy of transportation facilities, insufficient capital and credit availability, as well as outdated agricultural methods. In addition, an insufficient network of warehouses and silos has been a serious deterrent to growth. The lack of storage facilities often forces the farmer to dump his total current production on the market.

Since 1964, and particularly in recent years, the government has been placing more attention on agriculture realizing the importance of food prices in controlling inflation and the export potential of other agricultural products besides coffee.

Various measures are being undertaken by the government to improve the agricultural sector and much of the present investment in infrastructure is related to this sector. A land reform programme designed to bring currently unused land into production, as well as providing work and land for some of the unemployed people in the Northeast, is underway.

In 1970, a National Integration Program (PIN) was instituted whose objectives include extending agricultural services to the Amazon Basin, integrating the settling of the Amazon Basin with plans for developing the Northeast, and redirecting migration from the Northeast to this area rather than the major urban centres.

In addition, the Central Bank has established a Guided Rural Credit Programme, providing loans to small-scale farmers and stock breeders in the Northeast and Amazonia.

In 1971, the Government evolved a programme giving agrarian reform in the North and Northeast top priority. The main objectives are to finance the purchase of land for small and medium-sized farms, promote increased production of agricultural inputs, finance the expansion and modernization of agro-industrial undertakings (particularly sugar refining), guarantee minimum export prices and develop research programmes. This complements the work of PIN in the same area.

3. Livestock

Breeding and raising livestock is an important sector in Brazilian agriculture. Brazil ranks third on a world basis in numbers of cattle and hogs.

Large areas of the centre of Brazil, notably the southern part of the State of Goias and parts of the State of Bahia, as well as the States of Minas Gerais, Mato Grosso, Sao Paulo, Rio Grande do Sul, are eminently suitable for the raising of cattle. The State of Sao Paulo is by far the largest poultry-producing area in Brazil.

Greater numbers of cattle and pigs occur in Brazil than in Argentina, but beef production is considerably lower and beef exports much smaller. The fundamental reason for the low exports, as compared with Argentina, is that Brazil has a much greater home market to serve, although deficiencies in transport facilities and packing plants also contribute to the situation.

Brazil ranks, after Argentina, as the second largest exporter of hides and skins in South America. It imports regularly pure bred animals which are sold to farmers for crossing with the native stock. Dairying is not developed as a highly specialized industry.

Incentives are given to ranch owners to expand and improve cattle stocks, which could provide a significant export industry as well as a substantial boost to the Matto Grosso area.

4. Forestry

Approximately 56% of the country is covered by three major forest areas: the Amazon tropical rain forest, the coastal subtropical rain forest along the eastern seaboard, and the Parana Pine Forests of the temperate southern highlands.

According to the FAO's World Forest Inventory, Brazil has 12.0% of the globe's forest, second only, after the Soviet Union, in total forest area. However, in accessible forest, Brazil ranks fourth, after the United States, Canada and the Soviet Union.

The broad range of latitudes, altitudes and soils to be found in Brazil is conducive to wide variations in the composition of the forest. The exploitation of the forest has been limited in various areas by the problems of accessibility, transportation, and labour shortages. Most of the logs cut in Brazil are used for fuel. The Parana pine is the most important tree from a commercial standpoint.

Apart from timber, the forest provides such valuable commercial products as rubber, carnauba wax, babussu nuts, cocoanuts, oiticica and Brazil nuts. Exports of some of these items are more important than exports of timber.

The state of Parana is carrying out a reforestation project which envisages the planting of some 200 million trees between 1970-1974.

In 1966, the Brazilian Forestry Industry (IBDF) instituted an incentive programme whereby a certain percentage of corporate income tax could be channelled directly by companies of any business into reforestation projects. This programme has been most successful and has resulted in pulp and paper producers planting their own forests. Under this programme one billion trees have been planted in southern Brazil to date. These plantations are ideally suited for mechanical harvesting.

With the colonization programme taking place in conjunction with the construction of the Amazon highway, sawmilling may be one of the activities by which these settlements enter economic life. Now, however, southern Brazil is the centre of pulp, paper and sawmilling operations. The States from Espirito Santo south to Rio Grande do Sul account for 95% of paper production and 98% of pulp production. The States of Santa Catarina and Parana produce over 90% of softwood lumber, plywood and chipboard.

Pulp and paper production is expanding, and major reorganization and expansion is taking place within the pulp and paper industry. Traditionally the industry has been dominated by a few large firms, with many others supplying small tonnages and specialized markets. The government is attempting to increase the average size of production units by granting import duty exemptions on foreign equipment and by other means to projects having a capacity of at least 200 tons a day.

5. Fishing

Despite Brazil's extensive coastline and thousands of miles of rivers and streams, the Brazilian fishing industry is not large and fish makes a comparatively small contribution to the diet of Brazil's population. The Brazilian fishing industry has very low productivity and lack of adequate equipment leads to an average catch of a little over one-half ton yearly per fisherman, in comparison with 60 tons for the Norwegian fisherman.

In 1962, the Superintendency of Fishery Development (SUDEPE) came into being, as a federal autonomous agency to prepare and promote a national plan for fishery development. The new legislation granted special incentives to fishing and until the fiscal year 1972, the importation of fishing boats, equipment, machinery, accessories, spare parts, tools and necessary outfits for the fishing industry were exempt from import duties, from the tax on industrial goods and from customs clearance taxes, provided the importation was made by legal entities in accordance with projects which have been approved by SUDEPE.

Similar exemptions were granted to the importation of machinery, equipment, spare parts, tools and accessories by firms engaged in the production of capital goods and of items designed for utilization in the catching, industrialization, transportation and commercialization of fish.

With these incentives, some progress has been made in overcoming the lack of modern equipment and the inadequacy of refrigerated storage space and transportation facilities.

The fishing catch presently amounts to about 500,000 metric tons. The industry has as its aim a catch of 900,000 tons a year.

6. Industry

Industrial expansion has been the most significant feature of the Brazilian economy in recent decades. Even before the Second World War, manufacturing was an important part of Brazil's economic activities. However, the difficulties and opportunities during the War did much to consolidate and foster this sector.

In 1969, 1970 and 1971, industrial production rose about 11% annually and in 1972 growth was approximately 14%. The share of industry in the GDP has increased from 32% in 1967 to nearly 35%.

Initially, Brazil's industrial development consisted primarily of the production of consumer goods, but during recent years the heavier type industries have begun to assume importance. Now, Brazil has a large, relatively sophisticated industrial sector, ranging from basic industries such as steel, chemicals and petro-chemicals to finished consumer goods.

Investment in industry has grown rapidly, although an important part of the increased capital represents the reinvestment of reserves and of profits earned by foreign investors who have not been able to remit them abroad. With surplus capacity low, future growth will require continued high levels of investment, but it appears that this will be available. Investment incentives approved by the Council for the Development of Industry in 1972 amounted to \$2.3 billion, over three times as high as in 1971.

The Brazilian Government has adopted a programme of encouraging the production of basic manufactures. This has produced pressure on foreign exchange resources for the purchase of capital equipment.

On an individual basis, food processing industries lead in value of output. Metal processing, chemicals, textiles and transportation industries are also important and together with food account for almost two-thirds of total production. Other important groups include machinery, non-metallic minerals, electrical and communications equipment, wood furniture, paper, clothing and shoes, rubber and leather.

A breakdown by industrial group and principal industries given incentives in 1972 is as follows: primary products (cast iron, fertilizers) \$1.2 billion, intermediate products (cement) \$434 million; consumer goods (textiles, graphics) \$356 million; automotive industry and parts (automobiles, earthmoving equipment) \$280 million and capital goods (machine tools, telecommunications equipment) \$135 million.

The metallurgical, chemical, transport equipment and capital goods industries have been the most dynamic manufacturing sectors in recent years and are expected to continue to be so in the 1970's. The annual capacity of the steel industry is expected to rise from 6 million tons in 1971 to 11.2 million tons in 1974, and larger increases are anticipated for caustic soda, soda ash, thermoplastics and fertilizers. A \$126 million petrochemical complex recently opened by a state-private consortium is expected to have an annual production of 900,000 tons by 1976. Motor vehicle production which increased from 226,000 units in 1967 to over 600,000 in 1972 is expected to continue expanding substantially. Based on the expansion of these industries, the mechanical and electrical equipment industries are also expected to expand significantly.

The areas adjacent to the cities of Sao Paulo, Rio do Janeiro and Belo Horizonte are the most highly industrialized sections of the country. Sao Paulo is one of the largest industrial centres in South America and accounts for nearly 60% of Brazil's industry.

The Government has been trying to decentralize industrial production by diverting industry to other areas, for example, the Paraiba Valley, between Sao Paulo and Rio de Janeiro. Special incentives offered by the government have resulted in the establishment of a variety of new enterprises in Recife and Salvador. Several important car producers are opening new plants in this area.

In general, industry in Brazil is privately owned with the exception of a few government-controlled corporations operating in heavy industry and in transportation and communications. The government also has a monopoly in petroleum development. However, no manufacturing fields are reserved exclusively to the state.

In 1970, Brazil revised its national manufacturing policy. The two principal objectives are to promote a more balanced participation between public and private enterprises and to place more emphasis on exporting by the national industries. To accomplish this, the Programa de Integracao Social was created to provide medium-term working capital loans to private firms, the Fundo de Reorganizacao e Modernizacao to raise the efficiency of traditional manufacturing industries, and the Conselho de Desenvolvimento Industrial (CDI) was reorganized to improve the administration of national manufacturing policies.

The Iron and Steel Industry: With its large deposits of iron ore, the creation of an iron and steel industry was a natural development for Brazil, and its expansion has received great impetus in recent years with the increasing demand from various industries for steel products.

Brazil's steel plants are located in the States of Minas Gerais, Sao Paulo and Rio de Janeiro because of ores in Minas Gerais and because of transportation facilities for imported coal, and the large markets of Sao Paulo and Guanabara States.

Total steel production in Brazil presently accounts for around 6% of industrial production, 2% of GDP and 1% of world production. Brazil exports steel to forty countries with Argentina taking nearly two-thirds.

The three large state corporations, The National Steel Company (C.S.N.), Usinas de Minas Gerais (Usiminas) and the Companhia Siderurgica Paulista (Cosipa) are involved mainly in producing flat-steel products which account for approximately 55% of total production. More than 40 private companies produce other types of steel and the Government has been trying to encourage them to work on a cooperative basis.

Brazil produces around 80% of its steel requirements, but imports large quantities of special steels. Steel consumption in 1972 was about 8 million tons.

The major consumers are the construction, motor vehicle and printing and packaging industries, followed by the railways.

Brazil's steel production has increased each year since 1968 and Brazil is currently the largest steel producer in Latin America.

Steel Production in Brazil, 1967-1972
('000 Metric Tons)

1967	3,732
1968	4,452
1969	4,920
1970	5,364
1971	6,000
1972	6,516

Source: United Nations Monthly Bulletin

A major expansion programme for the steel industry is planned over the next decade with a target of 25 million tons or more by 1980. The three state corporations will be responsible for one-half of this goal. Domestic consumption in 1980 is forecast at about 19 million tons.

Heavy foreign investment will be required for the expansion programme, with the public share alone being around US\$600 million. Much of this has already been obtained from the World Bank and the American Export-Import Bank, and more is being sought from international agencies. Nippon Steel has also agreed to finance a steel mill using iron ore from Amazonia.

The Motor Vehicles Industry: The motor vehicles industry began to develop after the Second World War. Initially, its aim was to produce replacement parts for imported vehicles, but it later directed its efforts to producing parts for the first assembly plants installed in Brazil.

In the decade between 1957-1967, the assembly of cars and trucks in Brazil increased approximately seven-fold. During this period, domestically produced vehicles almost completely replaced imports and government decrees forced manufacturers to increase the domestic content of locally assembled vehicles to about 99%.

Subsidiaries of foreign companies have played a major role in the development of Brazil's motor vehicle industry and account for about two-thirds of the annual output. The industry, however, is a high-cost producer, with prices per unit much higher than the prices of comparable units produced in Canada or the United States.

Brazil is among the ten major world producers of motor vehicles. The principal plants located in Brazil are Ford, General Motors, Volkswagen, Mercedes Benz and Berliet, Alfa Romeo and Fiat.

Volkswagen is the major producer in Brazil, accounting for over one-half of production. It is however, facing stronger competition from the American makers and Toyota who is also producing in Brazil. Fiat is planning a new plant in Minas Gerais.

More than other Latin American car producers, Brazil has joined the world trend in narrowing down the range of models and using up idle productive capacity.

Some Brazilian motor vehicle manufacturers are finally getting into the export market. Chrysler sends truck cabins to its Argentine subsidiary; Ford to Buenos Aires. Ford is also investing in a plant to make engine blocks for its parent company in Detroit, and Volkswagen exported \$14 million worth of automobiles in 1972 compared to \$1.2 million in 1971.

The production of motor vehicles has increased steadily in recent years, and in 1972 reached a record level of 614,000 units. At present growth rates, production is expected to reach one million by 1976 and two million by 1980. Nearly \$540 million will have been invested between 1970 and 1975 in expansion programmes and introducing new models.

Motor Vehicle Production, 1965-1972
(^{'000})

<u>Year</u>	<u>Automobiles</u>	<u>Commercial Vehicles</u>	<u>Total</u>
1965	115	72	187
1966	135	90	225
1967	141	85	226
1968	169	109	278
1969	243	109	352
1970	255	161	416
1971	363	152	515
1972	437	177	614

Source: United Nations Bulletin.

The Electrical Industries: Brazil produces a wide range of electrical goods from appliances and electrical equipment and machinery to telecommunications equipment.

Brazil is manufacturing TV sets, radios, phonographs, domestic refrigerators, air conditioners, washing machines, floor polishers, blenders, vacuum cleaners, etc.

Brazil produces transmission lines, insulators, high tension cables, transformers, circuit breakers, etc. It also produces all kinds of electric motors, diesel engine alternators, etc. Production of heavier types of electrical equipment is, however, limited and the output of these is not large.

Some electrical equipment is still imported by Brazil, as well as a small percentage of components for machinery produced in the country.

In 1971, the electronics industry increased production by 18%, the most notable rise being in air conditioners, ventilators, refrigerators, radios and televisions. In 1971, Brazil started producing colour television sets, but the price is very high.

The problem of the electronics sector is idle productive capacity estimated at 40% for the industry as a whole, due to small-scale operations. Closer integration with the big world producers is probably a solution, which would also open new export possibilities.

The Government's ambitious telecommunications plan will provide a lot of business for some local companies.

The Textile Industry: The textile industry occupies an important place in Brazilian manufacturing. The most important is the manufacture of cotton goods, followed by the wool, rayon and flax industries. It is the largest single industry, employing over 255,000 workers in some 2275 establishments.

In Brazil, there are several hundred cotton mills, mainly in Sao Paulo, Recife and Rio de Janeiro. The industry has had a number of difficulties to contend with in recent years.

A sharp rise in the price of cotton inside Brazil, the fact that exports no longer enjoy the same importance as they achieved in World War II and post-war years, and Government restrictions against imports of cheaper cotton from world markets, were some of the reasons for continued difficulties.

The woollen textile industry is old and established but further expansion has not taken place in recent years. The industry is moving steadily towards producing finer qualities, and imports of fine quality worsteds have been progressively reduced. The use of artificial and synthetic fibres in Brazil is increasing.

Problems facing the textile industry have been the number of small firms competing against each other and the high degree of obsolescence in the textile machinery in Brazil.

The Brazilian Government has worked out a major textile re-equipment programme with an estimated total cost of \$264 million. Emphasis is being placed on mergers and export promotion.

The Food Industries: A large number of industries is concerned with the preparation of foodstuffs.

Meat packing is important, especially in the southern States; flour milling is important in the Rio de Janeiro area, where it is based upon imported wheat. There are nearly 300 sugar refineries in the north; diary products are produced in the southcentral and south regions.

The Chemical Industry: A very wide range of chemical products is now manufactured in Brazil, frequently by subsidiaries of foreign firms. The manufacture of pharmaceutical products is well established. The chemical industry accounts for about 18% of the country's industrial output and 4% of GNP.

In paints and varnishes, inks and cleaning products, Brazil is practically self-sufficient. Production of fertilizers has also developed. More recently, Brazil has made considerable progress in the manufacture of plastics.

Petrochemicals is now a major growth industry, as were motor vehicles in the 1950's and shipbuilding and iron and steel in the 1960's.

A new petrochemical complex has been opened by Petroquimica Uniao, a mixed venture composed of the state petrochemical company Petroquisa, a major private oil refinery and the Moreira Salles banking group. It is expected to produce some 900,000 tons of petrochemical products by 1976. Several other important petrochemical projects have recently been announced.

Foreign investors are interested in this sector and Shell do Brasil, ICI and Dow are planning to set up a new complex in the Sao Paulo area with Brazil's Petroquisa.

There are a number of factors favouring Brazil's growing petrochemical industry. One is Brazil has a constantly expanding domestic market for these products; for example, the tire manufacturers and their continuous demand for synthetic rubber.

Secondly, there is a guaranteed supply of naphtha from the state petroleum corporation, sold at a fixed dollar contract under a 10-year contract.

Thirdly, Brazil can practice economies of scale, as the market for products is largely through long-term contracts and self-absorption by big conglomerates such as Union Carbide.

The Pulp and Paper Industry: The pulp and paper industry is concentrated mainly in the south near the more populated consumer centres. Domestic production covers a significant part of domestic needs, but some imports are required.

The development of pulp and paper is hampered by the lack of private investment and a shortage of adequate basic raw materials.

Parana Pine, which has excellent fibre, is dwindling rapidly. Eucalyptus has become a substitute for pinewood in making pulp, due to its very short growth cycle.

The Cement Industry: The Brazilian cement industry has been expanding vigorously. From 774,387 metric tons in 1945, production increased to 7,300,000 metric tons in 1968, and 11,232,000 metric tons in 1972. Production is expected to grow through increased investment over the next few years.

The output of Portland cement is sufficient to meet Brazil's needs, but transport difficulties continue to obstruct the fulfillment of the demands for cement in some regions.

The Shipbuilding Industry: Brazil's shipbuilding is small on a world basis, but the Government's plan to increase the size of the national merchant fleet from 2.5 million tons to 4 million tons by 1975, has given local shipbuilders a large stimulus.

The major builder, Companhia Comercio e Navegacao, has been building coasters, tankers, automated cargo liners and off-shore oil rigs. The other major shipbuilder is Ishikawajima which recently won a contract for five 130,000-ton superfreighters.

The long-term hopes of Brazilian shipbuilders lie in building for exports, but prospects currently are poor, due to the present world situation of over capacity.

7. Mining

Brazil's known mineral resources are almost unlimited in variety and size of reserves. Exploration continues to add new discoveries. Iron ore reserves are especially large, and iron ore continues an important export item. Brazil has limited coal reserves of inferior quality and imports this item.

Recent surveys have revealed unknown quantities of uranium in the Serra da Moeda and zinc, aluminum and phosphates in the state of Minas Gerais. Copper deposits estimated at 150 million tons have been discovered in Bahia State. Large gold deposits have been discovered in northern Rondonia recently.

Brazil is the world's third largest producer of manganese ore. Known reserves are estimated at 152.5 million tons. The U.S. is the most important buyer of Brazilian manganese.

About \$800 million is to be invested by 1980 in developing bauxite deposits and producing aluminum. It is hoped Brazil will be self-sufficient in aluminum production by then.

Brazil currently produces about 30% of its domestic crude oil demand and refines about 97% of its oil product requirements. In 1972, crude oil production amounted to 8.3 million metric tons compared to 8.4 million metric tons in 1971 and 8.2 million metric tons in 1970. In 1972, petroleum imports accounted for about 9% of total imports. Increased imports are foreseen in the future.

The Brazilian Government, through Petrobras, has a monopoly on all petroleum activities, excluding the distribution of oil products and the petrochemical industry.

Although mineral production has increased considerably since the early 1950's, resources have not been developed in proportion to potential, and Brazil has a high rate of imports of minerals which could be produced at home. Imports account for about 60% of domestic mineral consumption.

Excluding fuels, the main imported raw minerals are asbestos, cassiterite, sulphur and natural sodium nitrate. Brazil also imports the following metals: copper, aluminum, nickel, lead, zinc, tin, iron and steel.

Traditionally, Brazil has tried to keep its mineral resources under Government control. It has however, recently announced a change in mining policy, and now is encouraging "private national" capital to develop the country's mineral resources.

The cause of this change has been the low rate of production in relation to the high level of imports. While the position of foreign capital has not been clarified, it will undoubtedly be required and in fact foreign companies are already involved to some extent in Brazil's mining. For example, United States Steel Corporation, Hanna Mining Corporation, Alcan, Alcoa and Rio Tinto. This new mining policy is in direct contrast with those of other Latin American countries.

8. Finance

a) The Monetary System: The unit of Brazilian currency is the cruzeiro. In August, 1968, Brazil put in force a special system of adjustment in the exchange rate. The exchange rate is based on considerations of relevant price trends and the level of foreign reserves. The exchange authorities are now following a system of 'mini-devaluations', i.e., small adjustment at frequent but irregular intervals to keep the exchange rate approximately in line with the rise of internal prices.

The exchange rate, Cruzeiros per U.S. dollar at the end of the period 1967-1972 was as follows (free rate):

<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
2.715	3.830	4.350	4.950	5.635	6.215

Foreign exchange reserves amounted to \$4.1 billion in February 1973.

The improved fiscal record of the Brazilian government in recent years has restored creditor confidence to a great degree. There is also evidence of considerable success in increasing government revenues through improved tax collections and in stabilizing government expenditures, a traditionally principal source of inflation.

World Bank loans to Brazil in 1971 amounted to US \$256.4 million. I.D.B. loans to Brazil in 1971 amounted to US \$138.4 million and Inter-American Development Bank loans amounted to US \$148 million, and Eximbank US \$93.1 million.

b) Banking and Insurance: Banking in Brazil has undergone considerable changes over the past ten years. Prior to 1964, there was no central bank. This function was shared by the Bank of Brazil and various government agencies, especially the Superintendency of Currency and Credit. In 1964, a Banking Reform law was introduced which created Banco Central do Brazil and a National Monetary Council. Contrary to usual practice, the Central

Bank does not set monetary policy, but acts as the agent of the National Monetary Council. Brazilian national monetary institutions include the National Monetary Council, the Central Bank and the Bank of Brazil.

The Central Bank of Brazil performs various important functions. It issues currency and coins under conditions and limits authorized by the National Monetary Council. It controls foreign capital, authorizes and supervises financial institutions in the country and is an instrument of Brazilian monetary policy. The Central Bank operates exclusively with public and private financial institutions.

The Bank of Brazil, S.A. is the financial agent of the National Treasury. It supplements the activities of the banking network in the financing of exports and imports, and is the government's tool in the execution of foreign trade policy. The Bank of Brazil, acting on its own behalf, or on behalf of the Central Bank, carries out a large proportion of all exchange transactions.

The National Bank for Economic Development (BNDE), manages the resources for financial backing of undertakings held to be fundamental to the growth of the Brazilian economy.

A notable development has been the rapid rise in the number and importance of investment banks relative to commercial banks (which lend mainly on short term) and finance companies (which have been limited to consumer financing). The investment banks lend mainly medium-term working capital. Nevertheless, total lending by commercial banks is still much greater. They are, however, less strong than in Europe and North America.

The main financial centres are Rio de Janeiro and Sao Paulo. Most of the banks and finance companies have their headquarters in one of these two cities. Rio is also headquarters for the most important government financial institutions.

In December 1968, the Royal Bank of Canada sold a 50% interest in its Brazilian subsidiary, Banco Real do Canada, to the Bank of America.

c) Investment: The success of economic development in Latin America depends on the creation of a favourable climate for private investment. The hope is for an increased tempo in the self-help measures of Latin America.

The concept of self help, including social and reform, is a cornerstone of the Alliance for Progress which was initiated by the U.S. in 1961.

The Brazilian Government is making a determined effort to promote investments. Incentives offered to national capital for investment in certain regions, are also extended to foreign capital.

The only areas not open to foreign investment are domestic airlines, coastal shipping, newspapers, radio or television stations and fishing, and to some extent, petrochemicals and mining. Otherwise, foreign capital may enter freely into Brazil and be treated identically to local capital. Brazil does not limit the percentage of foreign ownership or its form of organization.

The inflow of new capital has increased lately, reflecting the revival of foreign investor confidence in Brazil.

The degree of foreign participation in Brazilian industry is substantial, amounting to about 22% of the capital of all existing industrial enterprises, or 32% of medium and large firms. The proportion ranges from 95% in the automotive industry and 82% in pharmaceuticals to 57% in auto parts, 55% in machinery and equipment, 45% in chemicals, 32% in foodstuffs, 32% in aluminum 30% in paper and pulp, and 10% in cement production.

Estimates of foreign investment in Brazil varies from around \$3.5 billion to \$4.7 billion, with the lower figure more probable. The U.S. accounts for about 38% of Brazil's foreign investment and Canada and West Germany are other major investors. Japan is becoming an increasingly important investor. At the end of 1970, Canada's investment in Brazil amounted to \$648 million.

The following table shows foreign investment in Brazil for the years 1970 and 1971:

Country (Principals)	Investment		Reinvestment		Totals	
	US \$M.	1971	US \$M.	1970	US \$M.	1971
1. U.S.A.	544	526	552	460	1,096	986
2. West Germany	238	181	93	72	331	253
3. Canada	236	220	58	40	294	260
4. United Kingdom	81	71	192	137	273	208
5. Switzerland	191	114	33	18	224	132
6. France	130	32	—	2	130	34
7. Japan	125	102	—	3	125	105
8. Sweden	58	28	—	13	58	39
9. Belgium	54	38	—	8	54	46
10. Luxembourg	36	30	—	0.1	36	30
11. Netherlands	36	22	—	1	36	23
12. Italy	32	28	—	4	32	32
13. Others	29	155	192	44	221	199
Totals	1,790	1,545	1,120	820	2,910	2,347
	=====	=====	=====	=====	=====	=====

Investment in various sectors was as follows:*

Line (Principals)	Investments US \$ M.
Metallurgy in general	213.6
Mechanical industry	123.6
Transport material	405.5
Commerce-import and export	82.2
Paper and Cellulose	67.8
Timber and rubber products	103.6
Chemical industry	624.4
Textile industry	69.7
Foodstuffs	135.4
Beverages industry	112.1
Tobacco industry	112.1
Production and distribution of electricity	141.9
Plastic products	17.8
Technical and Auditor services	18.9
Administration, Representation and Participation	77.0
Mineral extraction industries	261.0

*Source: Brazil Journal

The Canadian-owned Brazilian Light and Power Company, under the terms of sale of its telephone utility to the Brazilian Government, is committed to reinvest several million dollars within the country in financial, industrial and agricultural projects. To handle this activity it has created two investment subsidiaries - Organizacao e Empreendimentos Geraes, and the investment bank, Banco Brascan de Investimento.

9. Public Utilities

a) Energy: The production of electricity has been increasing steadily in Brazil. In 1971, production was 48.3 billion kwh, compared to 34.2 billion kwh in 1967.

Brazil's hydro-electric potential is among the highest in the world. Recent estimates placed generating potential at 150 million kilowatts.

Installed electric generating capacity, at present some 14 million kilowatts, is expected to reach 20 million kilowatts by 1976 to meet rapidly increasing demand, supported by several major hydro-electric schemes in which financial assistance provided by the World Bank will play a prominent role.

In 1970, the Inter-American Development Bank granted a third loan in support of Brazil's largest hydro-electric complex - the 4.6 million kilowatt Urubupunga project on the Parana River.

Brascan Limited is one of the largest investors in the field of utilities. With an installed capacity of 2.1 million kw and a yearly production of about 11 billion kwh, its subsidiary, Light S.A., is responsible for a significant part of electric power distribution in Brazil.

In 1956, Brazil set up the National Nuclear Energy Commission (CNEN) as a civil service department directly subordinate to the President of the Republic. The country's first nuclear power generator is to be built in the State of Rio de Janeiro, with the aid of a loan of \$138 million from the American Import-Export Bank.

In 1973, financing through major North American, Western European and Japanese financial institutions was arranged for construction of the hydro-electric power station at Aque Vermelha and to extend the power station of the Ilha Solteira, both part of the Urubupunga electric complex in northeastern Sao Paulo.

b) Transportation: Transportation plays an important role in the economic development of Brazil, because of the country's heavy reliance on export crops and the need to open new lands for productive use.

As a whole, the country's transportation system is under-developed. Many natural factors have influenced this lack of development, such as steep escarpments, mountains, thick forests and heavy, torrential rains. To improve this, a ten-year plan for transportation, 1967-1976 is being implemented with public investment of about 12.1 billion cruzeiros.

Brazil has extensive inland waterways with a natural navigable extent of some 19,000 miles. The rivers widely used for transportation are the Amazon, the Sao Francisco and the Parana-Paraguay.

Brazil's seaports are important to both its domestic and foreign trade. There are about 40 seaports, the majority of which have inadequate equipment which is leading to serious congestion problems. Brazilian transportation policy is emphasizing port modernization. Container terminals are being built at Rio de Janeiro and Santos and other works carried out at Rio Grande, Recife and Paranagua.

The major ports include Santos, Rio de Janeiro, Vitoria, Paranagua, Sao Sebastiao, Recife and Rio Grande.

Brazil's national fleet is controlled by 34 companies with their own or chartered vessels and earned approximately 38% of total freight revenues in 1971. Bulk carriers accounted for 80%.

The merchant fleet has about 350 vessels. Its present tonnage of 2.4 million tons is to be increased by 1.6 million tons by 1975, mostly through the addition of bulk carriers.

The growth of Brazilian shipping has been steady due to the development of the petroleum industry, and iron-ore deposits.

Roads dominate land transportation and the system presently moves about 70% of all internal cargo, compared to 38% in 1950.

The highway network comprises about 578,000 miles, of which approximately 25,000 miles are national and 71,000 miles are state roads. The balance are mainly earth roads and tracks under the jurisdiction of municipalities. About 40% of the national roads and less than 20% of the state roads are paved.

The most important road development the past decade was the establishment of paved roads between major towns in the northeast and the linking of the region to the south. A highway has also been developed into the Amazon basin, which has more than doubled the length of paved roads between 1963 and 1971. Over the next three years a large amount of money is to be invested in consolidating and extending the network.

Nearly all of Brazil's major cities suffer from serious traffic congestion. In 1971, the number of passenger cars in use had increased to 2.2 million.

Railways account for only 10% of Brazil's transportation network compared with 50% in the U.S. and 80% in Russia. 80% of the network was constructed before 1920. In 1958, the federal railways administration, R.F.F.S.A., was created which closed down the more unprofitable lines and opened new lines to Argentina, Uruguay, Paraguay and Bolivia. Nevertheless, the railways operate at a heavy loss, and investment is inadequate to complete modernization or expansion on a large scale. The 1971-1974 Development Plan allocates only 18% of all transport investment to railways, compared to 70% for highways. Future railway expansion will probably be geared to specific mining developments.

As a result of vast distances and the difficulties of land transport, it is not surprising that air transport has increased significantly in Brazil. The commercial airlines in Brazil are privately owned and operated. The international Brazilian airline is Varig.

c) Communications: There is a general shortage of telephones throughout the country, although inter-urban connections have improved in recent years. It is expected that a further one million telephones will be installed over the next four years. In 1971, there were two million telephones in use in Brazil, an increase of 51% since 1967. In 1971, there were 6.5 million television sets in use and about 25 million radios.

10. Tourism

Brazil has major tourist potential which until recently was largely unexploited. The government is now emphasizing this sector through coordinated programmes to develop a previously untapped source of foreign revenue.

1973 has been decreed "National Tourist Year" and it is hoped 500,000 tourists will visit Brazil compared to 290,000 in 1971.

The Empresa Brasileira de Turismo (Embratur) is studying a number of tourist development projects of which some 50 have already been given preliminary approval. A programme to develop tourist facilities in coastal areas between Rio de Janeiro and Sao Paulo was announced in early 1973, to be followed by similar plans for areas between Rio and Salvador. Generous grants and tax incentives for the establishment of tourist facilities throughout the country are available. A new airport is to be built near the Iguassa Falls.

BRAZIL'S FOREIGN TRADE

1. Structure of Brazilian Foreign Trade

Foreign trade is of vital importance to Brazil. The aims of Brazil's foreign trade policy are based on those of the nation's economic objectives as a whole; that is, the attainment of a higher level of production and self-sufficiency, increasing the economic growth rate, reducing inflation and balancing the international balance of payments.

Brazilian tariff policy is an important part of overall foreign trade policy. Its principal objectives include:

1. facilitation of imports of essential goods where local production is inadequate in quantity or quality.
2. the control of imports of foreign goods considered superfluous or luxurious.
3. promoting the expansion and competitiveness of import-substitute or export industries.
4. to protect economically strategic sectors of agriculture or manufacturing sectors.

Brazil's foreign trade 1967 - 1972 was as follows:

Brazil's Foreign Trade 1967 - 1972
US\$ Millions

	<u>Exports</u>	<u>Imports</u>	<u>Balance</u>
1967	1,654	1,667	- 13
1968	1,881	2,132	-251
1969	2,311	2,265	+ 46
1970	2,739	2,849	-110
1971	2,904	3,699	-795
1972	3,987	4,181	-194

Brazilian foreign trade has expanded greatly the past few years due to liberalized import policies, vigorous investment demand, more realistic exchange rate policies and export promotion efforts.

Recently, more emphasis has been placed on export expansion and diversification, with special attention being paid to manufactures, since receipts from the traditional commodity exports have generally been characterized by slow growth and excessive fluctuations, while on the other hand, world demand for manufactures has shown a more rapid rate of growth, with firmer prices. Aided by generous government incentives, Brazil's exports of manufactured goods have expanded significantly and now account for about 28% of total exports.

In December, 1972, the Government outlined in general terms, plans for the formation of trading companies. A decree law was issued on the fiscal incentives to be offered trading firms and how they must operate to obtain them.

Imports of manufactured goods account for about 60% of the total. The most significant import commodities groups embrace machines, vehicles and parts, chemicals, as well as raw materials.

Agricultural products continue to make up approximately 60% of total exports. Coffee is the largest single commodity export. Brazil also supplies considerable quantities of iron ore and textile fibres to the world market.

The U.S. remains an important trading partner, although its share of Brazil's import market has declined from 32.5% in 1970 to about 28% in 1972. In contrast, the European Common Market countries have increased their share of Brazil's imports from 22.1% in 1970 to approximately 26.3% in 1972. There are indications that Brazil and the EC might sign a trade agreement in the near future. Japan is also emerging as an aggressive competitor in Brazil.

Brazil is a member of the Latin American Free Trade Association. Under the LAFTA Agreement, signed in 1961, internal tariffs and related restrictions were to be eliminated on "substantially" all products by 1973. However, this schedule has been considerably relaxed. Brazil trade has grown with LAFTA members, Argentina especially, in recent years. LAFTA is particularly important as a market for Brazil's manufactured goods, taking 60-70% of exports in this category.

Trade with the East European countries has also been rising and Brazil is the most important Latin American country in East-West trading after Cuba. The balance of trade is much in Brazil's favour. Barter transactions are possible in Brazil and Brazil has arranged deals with several socialist countries for the purchase of industrial equipment in exchange for Brazilian products.

Brazil is, however, reducing the number of its formal bilateral trade and payments. Eight are now in effect, compared to 10 in 1969 and 14 in 1966.

2. Brazil's Imports

The Brazilian import policy has as one of its principal aims, the lowering of the cost of Brazilian products and increasing the productivity of domestic manufacturers. Brazilian imports, aside from wheat and fuels, consist generally of capital equipment, industrial raw materials and highly specialized commodities. The share of consumer products in total imports has been declining in recent years.

With large amounts of machinery and raw materials needed to sustain the growth of Brazil's economy, imports continued to grow in 1972 to reach \$4.2 billion. This is an increase of 150% during the past 6 years. Imports are expected to maintain a high growth rate in 1973.

Major imports during 1972 were as follows:

Brazil's Major Imports 1972

	\$ Million	% of Total Imports
Machinery and equipment	1,800	43%
Chemical products	735	18%
Common metals & metal products	464	11%
Petroleum	390	9%
Wheat	125	3%

All these categories showed significant increases over 1971 but especially machinery and equipment and chemicals, which both increased by about 40%.

3. Brazil's Exports

The Brazilian economy, similar to most Latin American countries is based upon the export of primary commodities. The share of coffee exports while declining is still of significant importance. In 1972, coffee accounted for 25% of total exports compared to 41% in 1968. Cotton accounted for 6% of 1972 exports and iron-ore about 8%.

Sugar is also an important export item. This makes Brazil's economy very dependent upon the production situation at home and on prices in world markets. However, exports of manufactured goods is expanding due to strong export fiscal incentives and in 1972 such items accounted for 28% of total exports. Main manufactured items exported were motor vehicles, parts and spares, footwear, processed meat and boilers.

Exports like imports have increased steadily the past six years to reach about \$4 billion in 1972, an increase of 141% over 1967. They have not, however, increased as rapidly as imports.

The increase in 1972 was accounted for, to a large extent, by higher prices and demand for agricultural commodities, although exports of manufactured goods also increased. Reflecting reduced world demand, iron-ore was the only one of Brazil's major exports which did not increase in 1972.

Following were Brazil's major export categories in 1972.

	<u>\$ Milion</u>	<u>% of Total</u>
Green coffee	992	25%
Sugar	415	10%
Soybean	290	7%
Cotton	230	6%
Meat	196	5%

Exports are expected to increase again in 1973, particularly of manufactured items. International prices for coffee, soybeans and meat are rising and demand for iron-ore is expected to increase.

CANADIAN TRADE WITH BRAZIL

1. General

Trade between Brazil and Canada remains on a relatively low scale. In 1972, Canada accounted for only about 1.5% of Brazil's exports and 2% of Brazil's imports, while Brazil accounted for less than 1% of Canada's foreign trade.

In 1972, Canadian exports to Brazil amounted to \$86.2 million, a decrease of 8% over 1971 exports.

In 1972, Canadian imports from Brazil increased by 22% over 1971 imports to \$61.7 million.

The following table shows Canada's trade with Brazil for the past five years. During this period, the balance of trade has been in Canada's favour, particularly in 1970 and 1971.

Canada's Trade with Brazil 1968 - 1972
\$ millions

<u>Year</u>	<u>Canadian Imports</u>	<u>Canadian Exports</u>	<u>Balance</u>
1968	38.7	48.2	+ 9.5
1969	42.1	50.2	+ 8.1
1970	49.3	93.2	+43.9
1971	50.7	93.3	+42.9
1972	61.7	86.2	+24.5

Source: Statistics Canada

The substantial increase in exports in 1970 was accounted for by new sales of wheat (\$18 million) and a significant increase in sales of newsprint (+\$6 million); aircraft (+\$9.5 million) and sheet and strip steel NES (+\$3.4 million). The higher sales of these items were sustained in 1971, with the exception of aircraft which fell by \$16 million, while wheat sales increased by \$7.3 million. In 1972, wheat sales fell by \$5.2 million, but newsprint sales increased by \$4.2 million.

Coffee is Canada's principal import from Brazil. Imports of coffee beans and soluble coffee by Canada from Brazil are probably understated as there is a forwarding of coffee from the New York City Coffee Traders and Blenders.

2. Canadian Exports to Brazil

Canada's exports to Brazil consist primarily of foodstuffs which account for approximately one quarter of exports and semi-manufactured goods which account for nearly one half. The following table shows Canadian exports to Brazil by commodity groupings.

Canadian Exports to Brazil by Commodity Grouping
1971 - 1972

	<u>1971</u> \$ 000	<u>% of Total</u>	<u>1972</u> \$ 000	<u>% of Total</u>
Live Animals	511	.6	317	.4
Food, feed, beverages & tobacco	26,375	28.5	21,206	24.6
Crude materials, inedible	4,318	4.7	4,818	5.6
Fabricated materials, inedible	47,390	51.2	44,353	51.4
End products, inedible	13,798	14.9	15,531	18.0
Special transactions, trade	124	.1	1	--

Source: Statistics Canada.

Wheat and newsprint are by far Canada's major exports to Brazil. Other exports of importance are aluminium, potassium chloride and woodpulp.

The following table shows principal Canadian exports to Brazil for the past three years. In 1970, 1971 and 1972, these items account for 70%, 67% and 64%, respectively, of total exports.

Principal Canadian Exports
\$ Millions

	<u>1970</u>	<u>1971</u>	<u>1972</u>
Wheat/	18.3	25.6	20.4
Newsprint	10.3	11.0	15.2
Aluminium, pigs, ingots	3.8	7.0	5.7
Potassium chloride, muriate	--	2.2	4.0
Woodpulp	.5	2.3	3.3
Aircraft and parts	20.0	5.0	1.1
Copper refinery shapes	5.3	3.7	1.2
Sheet and strip steel	4.2	3.1	2.6
Asbestos fibres	3.1	2.7	2.1

Source: Statistics Canada.

3. Ontario Exports to Brazil

Ontario exports in 1972 to Brazil amounted to \$19.5 million, which represented 21.4% of Canada's exports to that country for that year and 0.004% of all Brazilian imports. The following table shows Ontario exports to Brazil for the past five years. The high amount in 1970 was due to aircraft exports valued at \$20.5 million.

Ontario Exports to Brazil 1968-1972

\$ Million

1968	23.7
1969	22.6
1970	39.9
1971	20.5
1972	19.5

Source: Statistics Canada.

In 1972, approximately one half of Ontario's exports to Brazil consisted of semi-manufactured goods and about one-third were fully manufactured items.

Principal Ontario Exports

	\$000	<u>1971</u>	<u>1972</u>
Nickel, Anodes, Cathodes, Ingots, Rods	1,509.8	1,978.0	
Sheet and Strip Steel NES	2,011.3	1,508.3	
Switch Gear & Protect Equipment & Pt. NES	588.6	1,221.2	
Generator Parts & Accessories NES	---	939.5	
Power Boilers, Equipment & Parts	---	911.3	
Malt	656.9	726.2	
Copper, Refinery Shapes	1,514.4	812.7	

Source: Statistics Canada

4. Canadian Imports from Brazil

Agricultural products form the major part of Canada's imports from Brazil and in 1972 and 1971 they accounted for nearly 60% and 70%, respectively, of total imports. Coffee is the main item imported and in 1972, it accounted for 29% of total imports. The following table shows Canada's imports from Brazil by commodity grouping. In 1972, the share of semi-manufactures in imports increased substantially from about 13% to nearly 22%.

Canadian Imports from Brazil by Commodity Grouping 1972

	<u>1971</u>	<u>1972</u>	
	\$ 000	% of Total	\$ 000
	<hr/>	<hr/>	<hr/>
Live Animals	1	--	2
Food, feed, beverage & tobacco	35,363	69.8	36,814
Crude materials, inedible	5,483	10.8	6,023
Fabricated materials, inedible	6,926	13.7	13,341
End products, inedible	2,804	5.5	5,334
Special transactions - trade	120	.2	184

Source: Statistics Canada

The following items are Canada's major imports from Brazil which accounted in 1970, 1971 and 1972 for 70%, 73% and 68% of total imports, respectively.

Principal Canadian Imports
\$ Millions

	<u>1970</u>	<u>1971</u>	<u>1972</u>
Coffee, green	23.3	24.7	21.4
Frozen orange juice	1.5	4.1	4.6
Canned corned beef	2.2	2.2	3.5
Instant coffee	5.8	1.0	3.5
Raw cotton	-	-	2.6
Footwear	0.6	1.3	2.7
Manganese in ores	1.9	2.5	1.4
Baler twine	.6	.9	1.2
Rayon yarn	-	.4	1.2

5. Opportunities for Canadian and Ontario Exports.

Brazil represents an enormous and rapidly expanding market. The attractiveness of Brazil's growing market and improved financial position is generating increased sales opportunities for other countries.

There is no simple key to success in exporting to Brazil. It is a complex, and highly competitive market which, as most other foreign markets today, should be tackled with persistence, efficiency and realism.

There are, in general, export possibilities for mining and construction machinery, equipment and materials, aircraft and parts, metalworking machinery, electric power machinery, switchgear and parts, textile machinery, chemical and petrochemical equipment, scientific, medical, optical-measuring and controlling instruments and apparatus, as well as for sophisticated electronic equipment. These possibilities are for the most part, relative to the execution of Brazilian long-term investment programs. Machinery and equipment are needed for a range of new industries.

All types of steel making equipment are required for the expansion of the country's three main steel mills. Good opportunities also exist for sales of bulk grain loading-unloading equipment, roll-on, roll-off equipment, subway cars, communications control equipment, suburban trains and air traffic control for Brazil's planned transportation expansion. Commuter aircraft, fishing and off-shore oil rigs are also in demand.

The Government's emphasis on increasing agricultural production and agricultural development in the north and northeast presents export opportunities for fertilizers, refrigeration and storage equipment and food processing and packaging equipment. A potential exists also for certain forest equipment.

Other export opportunities exist for machine tools in connection with large investments by the automobile manufacturers. In addition, road building equipment and prefabricated structures are required in the Amazon areas.

There also appears to be a growing demand for specialty foods. Wheat imports are expected to increase due to Brazil's poor wheat crop in 1973.

Brazil cannot be treated as a single market and firms wishing to cover the whole of Brazil should consider the appointment of Brazilian commercial representation separately in the following areas: Rio de Janeiro, Sao Paulo, North and North-East (Belem-Recife-Salvador) and South (Porto Alegre).

ECONOMIC AND TRADE POLICY

1. Planning

The first major economic plan in Brazil was the Three Year Plan 1963 - 1966. This plan was abandoned almost as soon as it started. The Program of Economic Action 1964 - 1966 achieved its goals, as did the Plan 1968 - 1970.

The most recent planning document, the First National Development Plan covers the years 1972 - 1974. It aims at a 8-10% annual growth rate, composed of 7-8% for agriculture and 10-12% in industry. Emphasis is to be placed on raising the efficiency of public and private enterprises; to incorporating the human and material resources of the North-East and Amazon into the money economy; and to expanding foreign trade, particularly exports of manufactured and mineral products.

Investment plans include as priority sectors, education (US\$ 5.2 billion), agriculture (US\$ 2.6 billion), housing (US\$ 2.9 billion) and health-sanitation (US\$ 2.5 billion). Projected investment in infrastructure includes US\$ 4.1 billion for energy, US\$ 3.4 billion for transportation (over one-half for highways) and US\$ 500 million for communications. Public and private expenditures for industrial development are expected to reach US\$ 5.1 billion, including US\$ 1.3 billion in mechanical and electrical industries, US\$ 1.2 billion for steel and US\$ 900 million for chemicals and petro-chemicals.

2. Foreign Trade Regulations, Tariffs and Taxes

In March 1971, the Brazilian Merchandise Nomenclature based on the Brussels Tariff Nomenclature was established and adapted all other Brazilian custom classifications to the B.T.N. systems. Duties are levied on the c.i.f. value of the import and range from 0% to 250% with the majority of goods bearing a duty of from 15% to 55%.

In December 1971, the 100% increase in import duties on 571 items listed as "superfluous" imports imposed in 1968, was cancelled or reduced to 50%. On January 1, 1974, tariff duties on luxury goods will return to levels prevailing prior to December, 1968.

Imported goods which are considered to be available from Brazilian national production in satisfactory quality, quantity and cost, are subject to higher import duties (usually 30% higher) and are not eligible for duty exemptions, although this may be waived under special incentives program to encourage manufacture for export.

The main criteria used to determine whether a foreign commodity has a "national similar" are that the price of the domestic product must not exceed the price of the import, including import duties, and that the delivery time and quality of the domestic product must be satisfactory to meet local demand.

At any time a Brazilian manufacturer may process a request with the Customs Policy Council for declaring their product a "similar".

Incentives granted by the Industrial Development Council (CDI) include exemption from import duties and taxes on imported machinery and equipment without national similars. Additional incentives are granted for export-oriented industries whereby whole factories maybe imported without payment of import duties if production is destined primarily for export.

Brazil extends preferential import duties rates and other advantages on a wide range of imports from other member countries of the Latin American Free Trade Association (LAFTA). Brazil is a member of GATT.

Tariff protection is granted to industries capable of adequately servicing the local market. The Conselho de Politica Aduaneira (CPA) may raise tariffs, taxes and duties to assist manufacturers and to prevent dumping.

The CPA may also lower or cancel import duties on raw materials and essential goods when they are in short supply, and may set artificial values (afors) on certain goods in order to increase the effective burden of import duties. On the other hand, the CPA may grant duty reductions or exemptions on imports of capital goods for approved investments in certain industries. It also grants exemptions on equipment to be used in public works projects.

Pursuing its export promotion policy, the Brazilian Government has established fiscal and credit incentives to exporting industries.

3. Marketing

Brazil is a free-enterprise nation: the number of government controlled enterprises is limited. Rio de Janeiro and Sao Paulo dominate Brazil's marketing. The large concentration of inhabitants together with the difficulties in communications and transportation make these two cities the principal markets in Brazil. However, various other large cities serve as centres for redistribution of merchandise, such as Belem, which is an important distributing centre for the whole Amazon River Valley; Salvador, which is a distributing centre for Bahia and neighbouring states, as well as Recife and Porto Alegre, in the Northeast and the South, respectively.

In the large cities supermarkets and department stores are very popular. Consumer cooperatives, as well as producer cooperatives, are very active in Brazil.

Brazil is a very competitive market. Credit and finance are vitally important to a successful contract and rank equally with technical performance of the equipment or quality of goods.

4. Promoting the Products - Agency Agreements

The selection and appointment of agents or distributors in Brazil is a matter of great importance. The basic regulations defining the responsibilities of agents and their principals are laid down partly in the civil code and partly in the commercial code.

An individual agent for commission or salary may be entitled to the benefits of the law of May 1, 1943, as amended. An agent may be considered as an independent worker under that law. The parties may freely stipulate the terms and conditions of their agreements. However, waiver of rights acquired under the law is not recognized.

Under the Code a definite or an indefinite term agency may be terminated at any time. The agent is to be compensated for services rendered in case of premature termination of a definite term contract, or undue termination of an indefinite term agreement. Under the 1943 law definite term agreements terminate on the expiration of the agreement. If extended, or if the parties continue to operate under it, the agreement becomes an indefinite term agreement and may only be terminated for just cause.

Unjust termination of an agreement makes the principal liable for compensation. Compensation may include severance pay or earnings, in proportion to the duration of the relationship, and the amount resulting from computing two month's salary for each year of employment.

5. Licensing, Joint Ventures, Patents and Trade Marks

Direct exports to Brazil can be successfully supplemented by joint ventures. The trend to decrease direct imports in relation to the development of Brazilian industry, will increase. Brazil is now capable of producing the greater part of consumer goods needed in its domestic market. Through joint ventures, the domestic market can be shared when direct import is difficult or economically unsound. Licensing provides a foothold in the Brazilian market without large capital outlays. Industries which are not able to enter into joint ventures, can successfully sell licenses and patents on profitable terms.

The life of the patent of an invention is 15 years after which it becomes public property. This period may be extended for a maximum of five years if found to be justified in the national interests. Patents for inventions, design and models, expire if not exploited within three years of registration.

Legal and administrative limitations on licensing are a serious problem in Brazil. Patent and trademark licenses must be registered with the National Department of Industrial Property (DNPI). To establish remittance rights for patents and trademarks royalties as well as technical assistance fees, the licensing agreement must be registered with the Central Bank.

Industrial models or designs may be protected for three year periods, renewable up to a limit of 15 years.

Trademarks registered must not include words of a foreign language unless these are generally used in Brazil, and they must always carry the words "industria brasiliense" clearly indicated.

CANADIAN DOMESTIC EXPORTS TO BRAZIL 1971-1972

TABLE I.

CLASS	COUNTRY AND COMMODITY	JANUARY TO DECEMBER 1971		JANUARY TO DECEMBER 1972		CLASS
		QUANTITY	VALUE IN DOLLARS	QUANTITY	VALUE IN DOLLARS	
BRAZIL						
110	CATTLE, DAIRY, PUREBRED	NO	194	426,585	89	128,426
449	HORSES N E S	NO		1	15,000	449
630	BABY CHICKS	NO	19,530	80,457	37,450	163,550
699	LIVE POULTRY N E S	NO	2,800	3,955	4,800	10,355
999	LIVE ANIMALS N E S				100	999
4145	SALMON, SMOKED	CWT			96	21,461
5149	CHEESE N E S	CWT	37	1,449		
6169	WHEAT, EXCEPT SEED N E S	CWT	8,830,877	25,638,763	6,944,882	20,382,570
6230	MALT	CWT	136,400	656,920	132,080	726,181
9373	PEAS, SEED	LB	110,000	15,390		
9377	PEAS, WHOLE, DRIED N E S	LB			33,000	9,377
9925	PICKLES AND RELISHES	LB N			710	248
14449	SAUSAGE AND SIMILAR MEAT CASTINGS	LB	89,760	57,859	106,010	58,250
17340	WHISKY	P GAL	423	4,128	1,298	13,683
20981	ANIMAL SEMEN					17340
20999	CRUDE ANIMAL AND FISH PROD INED NES		*	11,242		72,225
21103	CLOVER SEED, ALSIKE	LB			6,615	3,628
21104	CLOVER SEED, RED, SINGLE CUT	LB			17,640	21103
25249	ALUMINUM AND ALUMINUM ALLOY SCRAP	CWT			4,414	2,612
25439	LEAD & LEAD ALLOY SCRAP, DROSS ETC.	CWT	8,142	56,062	3,479	55,932
25530	NICKEL IN OXIDE	CWT	1,769	187,090	576	25249
25540	NICKEL AND NICKEL ALLOY SCRAP	CWT			22	2,041
25950	MOLYBDENUM IN ORES, CONC. & SCRAP	CWT	2,215	451,189	3,534	2,710
27120	ASBESTOS MILLED FIBRES, GROUP 3 GR.	TCN	153	73,191	254	25530
27130	ASBESTOS MILLED FIBRES, GROUP 4 & 5	TCN	12,394	2,748,477	9,443	163,878
27140	ASESTOS SHORTS, GROUP 6-9 GRADES	TCN	4,077	325,483	3,886	2,081,069
27977	SULPHUR, CRUDE OR REFINED N E S	TON	47,479	514,342	137,810	27140
29119	TEXTILE RAGS N E S	CWT	949	17,171		29119
31039	FURS, DRESSED, MINK	NO		100		31039
32015	RUBBER BELTS AND BELTING, V-TYPE	LB			146	32015
32049	TIRE AND TUBE REPAIR MATERIALS	LB	18,921	26,710		32049
32099	RUBBER FABRICATED MATERIALS N E S	LB			5,765	32099
33155	LUMBER, SPRUCE N E S	M B F			50	32099
34019	WOOD PULP DISSOLVNG & SPECIAL ALPHA	CWT	33,506	279,660	19,573	5,271
34021	WOOD PULP BL. KRAFT PAPER GR. SOFT.	CWT	80,498	485,571	148,643	34019
34022	WOOD PULP BL. KRAFT PAPER GR. HARD.	CWT	198,244	1,485,659	333,044	1,005,046
34025	WOOD PULP BL. SULPHITE PAPER GRADES	CWT			217	34022
35109	NEWSPRINT PAPER	CWT	1,701,799	11,014,151	2,380,017	2,114,487
35199	PAPER FOR PRINTING N E S	CWT	29,225	204,529	4,027	2,230
35249	WRITING AND REPRODUCTION PAPER	CWT	4,926	59,466	3,059	35249
35299	FINE PAPER N E S	CWT			6	35299
35970	WALLPAPER, PRINTED	CWT			22	533
35999	CONVERTED PAPER N E S	CWT			147	1,366
36162	RAYON YARN, VISCOSE OR ACETATE	LB	39,670	21,382	4,376	35999
36199	YARN AND THREAD N E S	LB			560	36162
38176	PAPERMAKERS FELTS, TEXTILE	LB	57,790	347,612	67,950	1,436
38199	SPECIAL CONSTRUCTION FABRICS N E S	LB	7,266	67,838	17,829	36199
38979	TEXTILE FABRICATED MATERIALS N E S	LB			416,334	38176
39899	ESSENTIAL OILS, NATURAL, SYNTHETIC	LB	400	2,520	1,200	42,738
40037	GUM, WOOD & VEGETABLE EXTRACTS NES	LB	37,000	2,142	16,640	38999
40099	SELENIUM	CWT	6,876	140,756	90	1,409
40199	CHEMICAL ELEMENTS N E S	CWT	2,666	25,750		79,773
40240	INORGANIC ACIDS & OXYGEN COMPODS NES	CWT			100	40037
40299	IRON OXIDES, NATURAL OR SYNTHETIC	CWT			782	40240
40499	INORG. BASES & METALLIC OXIDES NES	CWT	11,302	226,687	37,521	340,338
40535	METALLIC SALTS OF INORG. ACIDS NES	CWT	65,831	831,449	75,871	40299
40819	RADIOACTIVE ELEMENTS AND ISOTOPES	CWT		48,187		88,336
40839	PHENOLS, PHENOL-ALCOHOLS AND DERIV.	CWT	5,394	66,037	7,314	40819
40859	ETHERS, ALCOHOL PEROXIDES & DERIV.	CWT	77	3,924		40839
40859	ALDEHYDE-FUNCTION COMPOUNDS	CWT	447	97,288	224	40859
41429	ALCOHOLS AND THEIR DERIVATIVES	CWT	16,437	341,476	15,606	237,951
41449	ORGANIC ACIDS, ANHYDRIDES AND DERIV	CWT	7,786	105,474	8,203	41449
41459	NITROGEN-FUNCTION COMPOUNDS N E S	CWT	1,927	56,126	275	16,912
41479	ORGANO-INORGANIC COMPOUNDS	CWT	2,263	43,402	779	41459
41631	UREA	CWT	55,114	139,561		59,665
41645	NITROGEN SOLUTIONS	CWT	315	4,893		41645
41647	NITROGEN-PHOSPHATE FERTILIZERS NES	CWT			44,695	41647
41652	POTASSIUM CHLORIDE, MURIATE	CWT	1,446,526	2,230,383	3,128,540	4,038,583

COUNTRY AND COMMODITY

CLASS	COUNTRY AND COMMODITY	QUANTITY	VALUE IN DOLLARS	QUANTITY	VALUE IN DOLLARS	CLASS
BRAZIL-CON						
41699	PREPARED FERTILIZER MIXTURES	CWT	1,500	23,609	9,883	128,873
41699	FERTILIZERS AND FERTILIZER MAT. NES	CWT	440	7,084		41699
42199	ADHESIVES N E S	LE			2,716	1,967
42316	POLYETHYLENE RESINS, NOT SHAPED	CWT	2,647	27,244	480	8,486
42318	POLYSTYRENE RESINS, NOT SHAPED	CWT	868	15,634	3,756	67,147
42399	PLASTIC & SYN RUBBER NOT SHAPED NES	CWT	68,884	1,153,017	35,621	672,810
42599	PLASTICS FABRICATED MATERIALS N E S	CWT	22	207	1	195
42835	READY-MIXED PAINTS, INCL WHITE LEAD	GAL			1,547	27,324
42899	STAINS, LACQUERS & RELATED PROD NES			3,574		42835
42909	INSECTICIDES AND PESTICIDES	CWT	400	6,440	3,184	139,965
42929	DYESTUFFS, PIGMENTS, LAKES & TONERS	CWT	363	7,463	6	468
42999	INDUS. CHEM SPECIALTIES & EXPLOSIVE	CWT	54,165	622,995	25,249	419,420
43903	LUBRICATING OILS AND GREASES	GAL			96	1,246
44139	FEPROSILICON	TON	4,750	1,039,491	441	101,200
44199	FERRO-ALLOYS N E S	TON			253	22,354
44229	SPONGE IRON AND PRIMARY IRON N E S	TON			6	1,506
44299	BLOOMS, BILLETS AND SLABS, STEEL	TON	55,916	4,299,475	21,643	1,668,321
44359	STEEL CASTINGS N F S	CWT			15	2,220
44399	STEEL FORGINGS N E S	CWT	28	3,370	46	6,026
44430	EARS, STEEL, HOT ROLLED	CWT	23,590	571,381	1,082	23,815
44450	WIRE RODS, STEEL, HOT ROLLED	CWT			4,337	25,213
44499	PARS AND RODS, STEEL, FABRICATED	CWT	726	33,002		44499
44520	PLATE, STEEL	CWT	1,705	104,242		44520
44530	SCHEET & STRIP CARB STEEL HOT ROLLED	CWT			10,963	93,155
44599	SHEET AND STRIP, STEEL N E S	CWT	200,783	3,109,543	143,682	2,599,815
44899	PIPES AND TUPES, IRON AND STEEL NES	CWT	665	41,199	876	88,551
45109	ALUMINUM PIGS INGOTS SHOT SLABS ETC	CWT	296,198	6,991,406	264,025	5,713,849
45129	ALUMINUM BAR ROD PLATE SHEET CIRCLE	CWT	2,020	109,791	2,347	127,909
45149	ALUMINUM & ALLOY FABRICATED MAT. NES	CWT	35	2,365	32,326	1,368,023
45204	COPPER, REFINERY SHAPES	CWT	75,596	3,704,674	26,238	1,225,338
45270	COPPER ALLOY SHAPES AND SECTIONS	CWT	9,109	403,349		45279
45299	COPPER & ALLOY FABRICATED MAT. NES	CWT	14,583	1,863,400	5,883	629,511
45309	LEAD PIGS, BLOCKS AND SHOT	CWT	1,753	17,532		45309
45415	NICKEL ANODES CATHODES INGOTS RODS	CWT	11,560	1,684,689	14,410	2,044,081
45499	NICKEL & ALLOY FABRICATED MAT. NES	CWT	6,197	1,290,495	374	54,083
45708	ZINC BLOCKS, PIGS AND SLABS	CWT	188,178	1,945,411	107,086	1,367,146
45925	CADMUM	LB			11,013	26,343
45935	COAL/T	LB			100	590
45945	MAGNESIUM	LB	99,518	51,638		45945
45979	NON-FERROUS METALS N E S	LB			537	4,161
45999	NON-FERROUS METAL ALLOYS N E S	LB	82,155	27,777	193,307	65,087
46352	WIRE CLOTH & WOV WIRE SCREENING NES	CWT	5	622		46352
46529	NUTS, BOLTS, SCREWS AND WASHERS	CWT			25	3,072
46599	EASIC HARDWARE N E S			595		1,652
46819	VALVES, IRON OR STEEL			15,962		47,157
46975	INSULATED WIRE AND CABLE	CWT	8	885		46975
46980	WELDING WIRE RODS ELECTRODES SOLDER	CWT	2	421	4	1,007
46999	METAL FABRICATED BASIC PRODUCTS NES			9,121		46999
47399	GLASS BASIC PRODUCTS N E S			29,297		47399
47499	ASBESTOS BASIC PRODUCTS N F S			4,954		3,929
47629	SILICON CARBIDE, CRUDE AND GRAINS	CWT	22,050	187,865		47629
47659	ABRASIVE WHEELS AND STONES			5,254		47659
47699	ABRASIVE BASIC PRODUCTS N E S			113,373		47699
49510	HIGH TENSION INSULATORS & FITTINGS			1,100		2,153
49599	NON-CURRENT-CARRYING WIRING MAT NES					49599
49660	HOSE AND HOSE COUPLINGS			987		49660
50149	POWER BOILERS, EQUIPMENT AND PARTS					50149
50239	HYDRAULIC TURBINES AND PARTS				499,175	50239
50299	ENGINES, TURBINES AND PARTS N E S			59,144		431,402
50317	GENFPATORS, INCL SELF-CONT GEN SETS	NO			1	1,051
50319	GENERATOR PARTS & ACCESSORIES N E S					939,466
50369	ELECTRIC MOTORS	NO			13	60,300
50439	BEARINGS AND PARTS N E S			117,400		210,676
50444	Gears, Power Transmission			17,890		50444
50499	POWER TRANSMISSION EQUIP & PTS N E S					345
50739	AIR AND GAS COMPRESSORS AND PARTS			5,290		31,540
50799	VACUUM PUMPS, FANS, ELCWERS & PARTS			15,450		50799
50919	PACKAGING MACHINERY AND PARTS N E S					112
50959	INDUS. FURNACES, KILNS, OVENS & PTS			11,705		406,791
50969	FOUNDRY EQUIPMENT AND PARTS N E S			87,970		13,898
50980	PUMPS, PUMPING SYSTEMS AND PARTS			65,342		50980
50999	GEN. PURPOSE INDUS. MACHY & PTS NES			65,646		16,934
51199	CONVEYORS CONVEYING SYSTEMS & PARTS			21,571		130,167
51327	INDUSTRIAL HOISTS AND LIFTS	NO	1	495	2	2,520
51332	WINCHES AND WINDLASSES	NO			1	8,493
51399	HOISTING MACHINERY AND PARTS N E S			53,808		14,845
51439	INDUSTRIAL TRUCKS TRACTORS & PT NES	NO	5	17,177		51439
51931	WOODLAND LOG HANDLING EQUIPMENT	NO	2	30,552	13	225,905
51939	PARTS WOODLAND LOG HANDLING EQUIP.			172		7,378
51999	MATERIALS HANDLING EQUIP. & PTS NES			18,088		23,600
52101	CORE DRILLS & CORE DRILL BITS & PTS			77,135		51,695
52104	ROCK DRILLS AND PARTS N E S			162,700		136,828
52112	ROCK DRILL BITS N F S			2,583		5,166
52119	EARTH DRILLING & REL MACH & PTS NES			293,574		33,673
52139	EXCAVATING DREDGING MACHY & PTS NES			61,548		93,906

CLASS	COUNTRY AND COMMODITY	QUANTITY	VALUE IN DOLLARS	QUANTITY	VALUE IN DOLLARS	CLASS
BRAZIL-CON						
52199	MINING-QUARRYING MACHY & PARTS NES			1,789,466	459,443	52199
52303	METAL BORING DRILLING MACHY & PARTS	NO		1	73,657	52303
52305	METAL GRINDING MACHINES AND PARTS	NO			365	52305
52329	MACHINE TOOLS METALWORK. & PTS NES		600		218,506	52329
52349	WELDING APPARATUS, EQUIPMENT & PTS		6,301		15,122	52349
52366	METAL PLATING MACHY & EQUIP & PARTS				4,457	52366
52369	METALWORKING MACHINERY & PARTS NES		196,896		38,766	52369
52377	JIGS FIXTURES & METALWORKING ACCESS				159,231	52377
52387	DIES FOR METALWORKING MACHINERY NES		9,658			52387
52396	CUTTING TOOLS FOR METALWRK MACH NES					52396
52414	CHAIN SAWS	NO	264	531	22,494	52414
52415	PARTS & ACCESSORIES FOR CHAIN SAWS		40,423		80,291	52415
52425	SAWS, SAWMILL MACHY EQUIP & PTS NES		47,928		69,507	52425
52590	PULP & PAPER INDUS. MACHY AND PARTS		4,078			52590
52679	PRINTING & BOOKBINDING MACH & PTS NES		3,604		95,919	52679
52799	TEXTILE INDUSTRIES MACHY & PTS NES		27,425		77,582	52799
52869	FOOD & BEVERAGE MACHINERY & PTS NES		174,252		76,253	52869
52879	TOBACCO MANUFACTURING MACHY & PARTS				5,128	52879
52904	RUBBER TIRE BUILDING MACHY & PARTS				189	52904
52909	RUBBER WORKING MACHY AND PARTS NES		13,648		87,037	52909
52924	SHOE-MAKING INDUSTRY MACHY & PARTS		3,683		4,214	52924
52929	CONSTRUCTION MAINTENANCE MACHY & PT		3,083		177,699	52929
52936	CHEMICAL PHARM PROD MACHY AND PARTS		239,130		199,700	52936
52947	DIES AND MOULDS FOR PLASTICS MACHY		1,801		134,247	52947
52999	SPECIAL INDUSTRY MACHY & PARTS NES		9,587		115,513	52999
54151	GRAIN DRILLS AND COMBINATION DRILLS	NO	10	10,909		54151
54329	HAYING MACHINERY AND PARTS N E S	NO	12	17,673	8,232	54329
54372	COMBINE REAPER-THRESHERS	NO	6	40,668		54372
54399	HARVESTING & RELATED MACHY & PT NES	NO	2	2,896	8,842	54399
54699	AGRICULTURAL MACHY AND PARTS N E S		11,356		1,633	54699
55121	PARTS OF WHEEL TRACTORS		1,565			55121
57099	RAILWAY, STREET ROLL STOCK & PT NES	NO	17,995			57099
58110	HARDTOP SEDANS, NEW	NO	2	6,057		58110
58126	SEDANS, NEW N E S	NO	1	2,404	1,900	58126
58499	TRAILERS & COMMERCIAL SEMI-TRAILERS	NO	1	995	195,945	58499
59799	MOTOR VEHICLES N E S	NO	3	10,463	2,050	58799
58885	MOTOR VEHICLE ENGINES AND PARTS	NO		2,638		58885
58999	PARTS & ACCESS. FOR MOTOR VEH. NES		813,519		598,355	58999
59285	MARINE ENGINES AND PARTS	NO	1	1,287	13,198	59285
59339	PTS & ACCESS. FOR SHIPS & BOATS NES		325		1,116	59339
60019	AIRCRAFT, COMPLETE WITH ENGINES	NO	3	4,029,139		60019
60039	AIRCRAFT ENGINES AND PARTS	NO	3	232,824	1,071,351	60039
60099	AIRCRAFT ASSEMBLIES EQUIP & PTS NES		751,275		648,200	60099
62105	PASSENGER CAR TIRES, PNEUMATIC, NEW	NO			10	62105
62109	TRUCK AND BUS TIRES, PNEUMATIC, NEW	NO			12	62109
62115	TRACTOR & IMPLEMENT TIRES PNEU. NEW	NO			100	62115
62149	PNEUMATIC TIRES, NEW N E S	NO	174	4,874	27,218	62149
62529	TIRE TUBES N E S	NO			156	7,328
					12	62529
63419	TELEPHONE APPARATUS EQUIP AND PARTS		216,118		102	63419
63429	TELEGRAPH APPARATUS EQUIP AND PARTS				327,115	63429
63439	RADAR EQUIP & RELATED DEVICES & PTS		7,863		7,032	63429
63445	_SOUND AMPLIFIERS, EXCLUDING PARTS				14,031	63439
63490	RADIO TRANSMITTING-RECEIVING UNITS		119,644		1,038	63445
63495	RADIO TV BROADCAST TRANSM EQUIP NES		98,604		44,767	63490
63499	COMMERCIAL TELECOMM. EQUIPMENT NES		131,379		107,097	63495
63720	TV RECEIVING SETS, EXC. COMBINATION	NO			426,080	63499
63790	PHONOGRAPH RECORDS AND BLANKS	NO	111	111	350	63720
63799	PHONOGRAHS AND RECEIVING ANTENNAE		178			63790
63841	SEMI-CONDUCTORS AND PARTS				63799	63841
63915	RESISTORS, ELECTRONIC, AND PARTS				165	63915
63923	TRANSFORMERS, ELECTRONIC TYPE & PTS				421	63915
63999	ELECTRONIC EQUIPMENT COMPONENTS NES		53,089		1,950	63923
65049	HEATING & FUEL BURN EQUIP & PTS NES				50,704	63999
65599	AIR CONDTN & REFRIG EQUIP & PT NES		8	18,063	16,709	65049
66099	NON-ELECTRIC EQUIP FOR COOKING & PT			66	8,943	65599
68199	ELECTRIC LIGHTING FIXTURES & PARTS			3,684		66099
68299	ELECTRIC LAMPS, BULBS & TUBES & PTS				68199	68299
68399	TRANSFORMERS AND PARTS		3,380		7,148	68399
68426	CIRCUIT BREAKERS AND PARTS		19,082		3,092	68399
68499	SWITCHGEAR & PROTECT EQUIP & PT NES		618,281		57,597	68426
68859	INDUSTRIAL CONTROL EQUIPMENT & PTS			1,282,290	68499	
68869	WIRING DEVICES AND PARTS		9,821		113,755	68859
68879	CONVERTER EQUIPMENT AND PARTS			19,700	99,664	68869
68999	ELEC EQUIP FOR INT COMBUST ENG & PT			1,876		68879
69793	BATTERIES, WET CELL AND DRY CELL	NO	3	732	1,194	68999
69799	ELECTRICAL EQUIP APPL AND PARTS NES				5,669	69799
70290	ELECTRICITY-MEASURING INSTR & PARTS		718,126		420,408	70290
70399	MEASURING & TESTING EQUIP & PTS NES		404,349		116,878	70399
70699	MEDICAL & REL. INSTR EQUIP & PT NES		2,877		3,833	70699
70909	X-RAY AND RELATED EQUIPMENT & PARTS				1,784	70909
70919	NAVIGATION INSTRUMENTS APPAR. & PTS		3,860		3,899	70919
70994	GEOPHYSICAL MINERL PROSP EQUIP & PT		8,991		91,172	70994
70997	MODELS FOR DEMONSTRATION ETC. & PTS		411		33,362	70997
70999	LAB. OPTICAL INSTR. EQUIP & PTS NES		36,549		96,126	70999
74012	FURNITURE, WOODEN, HWOOD, NOT UPHOL				5,368	74012

ONTARIO DOMESTIC EXPORTS TO BRAZIL 1971 - 1972

TABLE II.

COMMODITY	VALUE \$'000	
	1971	1972
Cattle, dairy, purebred	426.6	128.4
Horses N E S		15.0
Baby chicks	80.5	163.6
Live poultry N E S	4.0	10.4
Cheese N E S	1.4	
Malt	656.9	726.2
Pickles and Relishes		.2
Sausage and similar meat casings	5.0	
Whisky	3.1	4.5
Animal semen	11.2	72.2
Crude animal and fish prod ined N		.9
Nickel in oxide	187.1	72.0
Molybdenum in ores, conc. & scrap		93.6
Asbestos milled fibres, group 4 &	31.8	
Asbestos shorts, group 6-9 grades		1.6
Furs, dressed, mink	.1	
Tire and tube repair materials	26.7	
Rubber fabricated materials N E S		9.3
Newsprint paper	69.0	
Writing and reproduction paper	.2	36.8
Wallpaper, printed		1.4
Papermakers felts, textile	60.8	67.4
Special construction fabrics N E	3.8	38.5
Essential oils, natural, synthetic	2.5	7.2
Gum, wood & vegetable extracts NE		.4
Inorg. bases & metallic oxides NE		81.6
Metallic salts of inorg. acids NE	86.7	81.6
Radioactive elements and isotopes	35.2	44.2
Aldehyde-function compounds	97.3	41.9
Nitrogen-function compounds N E S	56.1	16.9
Organic-inorganic compounds	43.4	15.8
Nitrogen solutions	4.9	
Prepared fertilizer mixtures	23.6	128.9
Fertilizers and fertilizer mat. N	7.1	
Adhesives N E S		2.0
Polyethylene resins, not shaped	14.5	
Polystyrene resins, not shaped		22.7
Plastic & syn rubber not shaped N	744.5	581.1
Plastics fabricated materials N E		.2
Ready-mixed paints, incl white LE		7.1
Stains, lacquers & related prod N	3.6	12.5
Insecticides and rodenticides	6.4	65.5
Dyestuffs, pigments, lakes & tone	.6	.5
Indus. chem specialties & explosi	12.0	45.2
Lubricating oils and greases		1.2
Ferrosilicon	80.3	
Steel forgings N E S	3.4	6.0
Bars, steel, hot rolled	501.5	23.8
Wire rods, steel, hot rolled		25.2
Bars and rods, steel, fabricated	33.0	

ONTARIO DOMESTIC EXPORTS TO BRAZIL 1971 - 1972

(Cont'd)

COMMODITY	VALUE \$'000	
	1971	1972
Plate, steel	104.2	
Sheet & strip carb steel hot roll		93.2
Sheet and strip, steel N E S	2,011.3	1,508.3
Pipes and tubes, iron and steel N	41.2	88.3
Aluminum bar rod plate sheet circ	65.1	127.9
Aluminum & alloy fabricated mat. N	1.8	50.6
Copper, refinery shapes	1,514.4	812.7
Copper alloy shapes and sections	403.3	
Copper & alloy fabricated mat. NE	185.0	435.0
Nickel anodes cathodes ingots rod	1,509.8	1,978.0
Nickel & alloy fabricated mat. NE	7.6	54.1
Cadmium		10.1
Magnesium	51.6	
Non-ferrous metals N E S		4.2
Non-ferrous metal alloys N E S	27.8	65.1
Wire cloth & wov wire screening N	.6	
Nuts, bolts, screws and washers		3.1
Basic hardware N E S	.6	
Welding wire rods electrodes sold	.4	
Metal fabricated basic products N	8.6	11.4
Abrasive wheels and stones	5.3	
Abrasive basic products N E S	88.7	166.3
High tension insulators & fitting		2.2
Hose and hose couplings	1.0	
Power boilers, equipment and part		911.3
Engines, turbines and parts N E S	55.9	56.6
Generators, incl self-cont gen SE		1.1
Generator parts & accessories N E		939.5
Electric motors		60.3
Bearings and parts N E S	86.0	190.5
Air and gas compressors and parts	.7	
Vacuum pumps, fans, blowers & par	15.5	1.0
Indus. furnaces, kilns, ovens & p	4.6	71.8
Foundry equipment and parts N E S	33.1	10.8
Pumps, pumping systems and parts	26.3	23.6
Gen. purpose indus. machy & pts N	64.4	9.7
Conveyors conveying systems & par	18.1	129.3
Industrial trucks tractors & pt N	17.2	
Woodland log handling equipment	30.6	200.1
Parts woodland log handling equip	.2	7.4
Materials handling equip. & pts N	.2	23.6
Core drills & core drill bits & p	77.1	41.9
Rock drills and parts N E S	162.7	138.8
Earth drilling & rel mach & pts N	287.2	25.5
Excavating dredging machy & pts N	61.5	40.0
Mining-quarrying machy & parts NE	43.4	197.4
Metal boring drilling machy & par		73.7
Machine tools metalwork. & pts NE	.6	213.8

ONTARIO DOMESTIC EXPORTS TO BRAZIL 1971 - 1972

(Cont'd)

COMMODITY	VALUE \$'000	
	1971	1972
Welding apparatus, equipment & pt	1.8	.5
Metal plating machy & equip & par		2.0
Metalworking machinery & parts NE	20.7	38.6
Jigs fixtures & metalworking acce		153.8
Dies for metalworking machinery N	9.7	
Cutting tools for metalwrk mach N		22.5
Chain saws	40.3	76.7
Parts & accessories for chain saw	36.0	35.8
Pulp & paper indus. machy and par	3.4	13.8
Printing & bookbinding machy & pts N	17.4	3.6
Tobacco manufacturing machy & par		.2
Rubber tire building machy & part	13.6	38.5
Rubber working machy and parts NE	3.7	4.2
Shoe-making industry machy & part	2.8	177.7
Construction maintenance machy &	69.5	199.7
Chemical pharm prod machy and par		11.2
Dies and moulds for plastics mach	1.8	
Special industry machy & parts NE	2.6	108.0
Grain drills and combination dril	10.9	
Haying machinery and parts N E S	17.7	8.2
Combine reaper-threshers	40.7	
Harvesting & related machy & pt N	2.9	8.8
Agricultural machy and parts N E	9.8	1.6
Parts of wheel tractors	1.6	
Hardtop sedans, new	6.1	
Sedans, new N E S	2.4	9.0
Trailers & commercial semi-traile		195.9
Motor vehicles N E S	2.0	2.1
Motor vehicle engines and parts	2.6	
Parts & access. for motor veh. NE	812.8	597.2
Marine engines and parts	1.3	13.2
Pts & access. for ships & boats N	.3	.1
Aircraft, complete with engines	4,029.1	
Aircraft engines and parts		.9
Aircraft assemblies equip & pts N	748.4	632.1
Passenger car tires, pneumatic, N		.2
Truck and bus tires, pneumatic, N		2.0
Tractor & implement tires pneu. N		27.2
Pneumatic tires, new N E S	4.9	7.3
Tire tubes N E S		.1
Telephone apparatus equip and par	108.7	296.8
Telegraph apparatus equip and par		7.0
Radar equip & related devices & p		6.9
Sound amplifiers, excluding parts		1.0
Radio transmitting-receiving unit	1.4	44.8
Radio TV broadcast transm equip N	98.6	20.4
Commercial telecommu. equipment N	14.2	261.2
TV Receiving sets, exc. combinati		.4

ONTARIO DOMESTIC EXPORTS TO BRAZIL 1971 - 1972

(Cont'd)

COMMODITY	VALUE \$'000	
	1971	1972
Semi-conductors and parts		.2
Resistors, electronic, and parts		.4
Transformers, electronic type & P		2.0
Electronic equipment components N	35.4	44.8
Heating & fuel burn equip & pts N		10.8
Air conditn & refrig equip & pt N	18.1	8.9
Non-electric for cooking &	.1	
Electric lighting fixtures & part	3.7	
Electric lamps, bulbs & tubes & p		7.1
Transformers and parts	3.4	3.1
Circuit breakers and parts	16.7	57.6
Switchgear & protect equip & pt N	588.6	1,215.9
Industrial control equipment & pt	2.9	111.9
Wiring devices and parts		99.1
Converter equipment and parts	19.7	
Elec equip for int combust eng &	1.9	
Batteries, wet cell and dry cell	.7	
Electrical equip appl and parts N		5.7
Electricity-measuring instr & par	716.5	260.4
Measuring & testing equip & pts N	191.0	98.7
Medical & rel. instr equip & pt N	1.1	1.2
X-Ray and related equipment & par		1.8
Navigation instruments appar. & p	1.6	2.9
Geophysical minerl prospr equip &	9.0	69.9
Lab. optical instr. equip & pts N	28.5	2.0
Power driven hand tools and parts	.1	
Hand tools N E S, including sets	34.7	56.2
Safety razor blades	16.9	116.2
Scissors, shears & misc cutlery N	113.1	
Adding machines and parts	7.1	.5
Card punch sort tab computers & p	1,021.6	614.6
Office machines equipment & pts N	17.6	13.6
Plumbing fixtures & plumbing bras		.3
Safety & sanitation equipment & p	.1	
Service industry equip & parts NE	.2	
Fur goods, apparel	2.8	1.5
Sporting recreation equip & pts N	4.5	9.9
Household & personal equip & pt N	.4	3.3
Biological products for humans	142.8	576.7
Veterinary medicine feed suppleme	72.3	418.6
Medicinal & pharmaceutical prod N	4.6	16.6
Surgical medical & dental suppl N	16.1	35.6
Ophthalmic lenses	7.2	
Books and pamphlets	1.6	1.5
Maps pictures greeting cards musi		.4
Advertising matter printed N E S	1.6	.5
Printed matter N E S	13.2	9.6
Stationery & paper office suppl N	31.0	24.1

ONTARIO DOMESTIC EXPORTS TO BRAZIL 1971 - 1972

(Cont'd)

COMMODITY	VALUE \$'000	
	1971	1972
Stationers and office supplies NE	1.7	45.0
Photographic equip. & supplies NE		.9
Prefab. bldg. structures & pts N	2.2	5.8
Works of art		7.0
Antiques and collectors items N E	.6	3.2
Signs and advertising displays NE	.2	
Models and patterns N E S		9.0
Non-elec. lighting fixtures & par	.1	
Shipping containers, plastic & pt	19.2	
Textile end products N E S		.4
Plastic end products N E S		1.5
Export packing, re-usable or uncl		.1
Contractors equipment and tools	123.7	.9
Shipments of less than \$100.00 ea		.1
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TOTAL DOMESTIC EXPORTS	19,773.3	18,440.7

ONTARIO RE-EXPORTS TO BRAZIL 1971 - 1972

COMMODITY	VALUE \$'000	
	1971	1972
Cattle, dairy, purebred		14.0
Fur skins, undressed N E S	27.5	
Plastic & syn rubber not shaped N		7.8
Indus. chem specialties & explosi		65.1
Pipes and tubes, iron and steel N		33.8
Gem and ornamental stones N E S		1.7
Electric motors		.5
Bearings & parts for motor vehicl	2.3	1.5
Pumps, pumping systems and parts	2.1	2.3
Lift trucks, industrial powered N		51.3
Mining-quarrying machy & parts NE		.2
Welding apparatus, equipment & pt	.6	1.1
Metalworking machinery & parts NE		52.6
Parts & accessories for chain saw	1.9	2.0
Food & Beverage machinery & pts N		.4
Special industry machy & parts NE		3.3
Motor vehicle engines and parts	3.9	12.7
Parts & access. for motor veh. NE	1.8	58.5
Pleasure and sporting craft N E S	2.0	
Marine engines and parts	.1	
Aircraft engines and parts		1.4
Aircraft assemblies equip & pts N	377.0	193.8
Radio transmitting-receiving unit		2.0
Radio TV broadcast transm equip N	24.9	
Commercial telecommu. equipment N	11.5	.6
Electronic equipment components N	.3	3.3
Electric lamps, bulbs & tubes & p	.2	
Circuit breakers and parts		43.0
Switchgear & protect equip & pt N	9.8	5.3
Industrial control equipment & pt		.2
Measuring & testing equip & pts N		.8
Geophysical minerl prosp equip &	.8	3.5
Lab. optical instr. equip & pts N	13.4	
Hand tools N E S, including sets	224.1	402.0
Card punch sort tab computers & p	10.7	38.0
Office machines equipment & pts N	2.7	26.5
Clocks, clock movements & parts N	.2	
Books & pamphlets	1.2	.4
Advertising matter printed N E S	.2	
Photo cameras, parts & accessories		.6
Camera and projection lenses		.1
Textile end products N E S		1.0
Contractors equipment and tools	2.6	
TOTAL RE-EXPORTS	721.9	1,031.2
TOTAL EXPORTS TO BRAZIL	20,495.2	19,471.9

CLASS	COUNTRY AND COMMODITY	QUANTITY	VALUE IN DOLLARS	QUANTITY	VALUE IN DOLLARS	CLASS
BRAZIL-CON						
74099	FURNITURE AND FIXTURES N E S	3,273				74099
75019	POWER DRIVEN HAND TOOLS AND PARTS	123				75019
75059	HAND TOOLS N E S, INCLUDING SETS	45,370			57,348	75050
75081	SAFETY RAZOR BLADES	16,910			116,221	75081
75099	SCISSORS, SHEARS & MISC CUTLERY NES	113,077				75099
77108	ADDING MACHINES AND PARTS	7,073			508	77108
77121	CARD PUNCH SORT TAB COMPUTERS & PTS	1,021,812			616,792	77121
77199	OFFICE MACHINES EQUIPMENT & PTS NES	17,586			13,613	77199
77909	PLUMBING FIXTURES & PLUMBING BRASS				3,186	77909
77919	SAFETY & SANITATION EQUIPMENT & PTS					77919
77929	SERVICE INDUSTRY EQUIP & PARTS NES	130				77929
78149	UNDERWEAR	203				
78199	SLEEPWEAR	NO		576	220	78149
79335	PANTS AND BREECHES, MENS AND BOYS	NO		432	360	78199
78369	SUITS, FINE SLACK & SPORT, EXC KNIT	NO		5,388	5,803	73335
78499	OUTERWEAR, KNITTED N E S	NO		6	382	78369
78809	FUR GOODS, APPAREL		10,705		13,254	78809
78874	SPEC. INDUS CLOTHING, RUBBER, PLAST				948	78774
80099	CLEANING, POLISHING PREP HHOLD CHEM				567	80099
83099	SPORTING RECREATION EQUIP & PTS NES		6,737		10,912	83099
85069	TABLEWARE N E S				3,296	85069
86029	PTS, ATTACH, DOMESTIC SEW. MACHINES				22,250	86029
86099	HOUSEHOLD & PERSONAL EQUIP & PT NES	400			3,278	86099
87019	BIOLOGICAL PRODUCTS FOR HUMANS	143,929			587,990	87019
87089	VETERINARY MEDICINE FEED SUPPLEMENT	84,613			419,627	87089
87099	MEDICINAL & PHARMACEUTICAL PROD NES	41,087			116,443	87099
88029	SURGICAL MEDICAL & DENTAL SUPPL NES	17,501			35,887	88029
88035	OPHTHALMIC LENSES	NO	16,810	7,216	5,499	82035
89039	BOOKS AND PAMPHLETS			2,259	2,619	89039
89049	MAPS PICTURES GREETING CARDS MUSIC				372	89049
89090	ADVERTISING MATTER PRINTED N E S	1,765			656	89090
89099	PRINTED MATTER N E S	13,175			13,163	89099
90019	STATIONERY & PAPER OFFICE SUPPL NES	30,989			26,406	90019
90099	STATIONERS AND OFFICE SUPPLIES NES	1,660			51,303	90099
91099	PHOTOGRAPHIC EQUIP. & SUPPLIES NES	101			1,246	91099
93099	MILITARY WEAPONS, ORDNANCE & PT NES				89,000	93099
94149	PREFAB. BLDG., STRUCTURES & PTS NES			2,240	5,765	94149
94629	WORKS OF ART				7,000	94629
94649	ANTIQUES AND COLLECTORS ITEMS N E S	604			3,186	94649
94929	SIGNS AND ADVERTISING DISPLAYS NES	189				94929
94955	MODELS AND PATTERNS N E S				9,000	94955
94966	NON-ELEC. LIGHTING FIXTURES & PARTS	115				94966
94999	MISCELLANEOUS END PRODUCTS N E S	2,684				94999
95029	SHIPPING CONTAINERS, METAL, & PARTS			19,736	300	95029
95079	SHIPPING CONTAINERS, PLASTIC & PTS				1,643	95079
96059	TEXTILE END PRODUCTS N E S				384	96059
96090	METAL END PRODUCTS N E S	145,000			145,000	96090
96096	PLASTIC END PRODUCTS N E S	107			1,537	96096
97010	EXPORT PACKING, RE-USABLE OR UNCLAS				54	97010
97020	CONTRACTORS EQUIPMENT AND TOOLS	123,658			900	97020
97075	SHIPMENTS OF LESS THAN \$100.00 EACH	51			178	97075
	COUNTRY TOTAL		93,255,046			86,226,664

CANADIAN IMPORTS FROM BRAZIL BY COMMODITIES 1971-1972

TABLE III.

JANUARY TO DECEMBER

COMMODITY		QUANTITY		VALUE		CLASS
		1971	1972	1971	1972	
		\$,000				
FISH, AQUARIUM	NO	15,227'	13,930	3	2	00950
EXTRACTS OF MEAT, NOT CANNED	LB		4,475		17	01595
CORNED BEEF, CANNED	LB N	3,469,984	5,524,960	2,185	3,486	01703
SEA FISH, FRESH OR FROZEN N E S	CWT	334	250	7	4	03069
SARDINE, CANNED	CWT N		928		27	04446
LOBSTER, FRESH OR FROZEN	CWT	4	13	1	3	04629
SHRIMPS AND PRAWNS, FRESH OR FROZEN	CWT	374	2,105	66	365	04649
RICE, CLEANED	CWT	65,724	32,869	191	96	06149
SAGO AND CASSAVA STARCH OR FLOUR	LB	1,125,238	1,974,700	39	112	06930
SAGO AND TAPIOCA	LB	473,500	1,041,961	52	123	06940
FARINACEOUS SUBSTANCES N E S	LB	129,000	180,200	29	48	06999
ORANGES MANDARINES TANGERINES FRESH	LB	4,530,886	1,500,000	223	116	07139
FRUITS AND BERRIES, DRIED N E S	LB	1,312	388	1	07399	
LEMON JUICE CONCENTRATES, FROZEN	LB N	65,993	128,467	16	37	07523
ORANGE JUICE CONCENTRATES, FROZEN	LB N	19,479,309	20,507,532	4,092	4,467	07538
ORANGE JUICE CONCENTRATES, NOT FROZEN	LB N	248,303	482,139	54	136	07539
FRUIT JUICE CONCENTRATES, FROZEN NES	LB N	288,280		109		07558
FRUITS IN LIQ PRESER NOT CANNED NES	LB		8,085		1	07659
JAMS, JELLIES AND PRESERVES, CANNED	LB N		5,536		1	07892
FRUITS AND PRODUCTS, CANNED N E S	LB N		600			07899
BRAZIL NUTS, NOT SHELLLED	LB	1,551,956	2,224,937	294	331	08120
BRAZIL NUTS, SHELLLED OR ROASTED	LB	1,176,236	1,750,369	592	854	08220
CASHEW NUTS, SHELLLED OR ROASTED	LB	16,950	107,107	9	60	08225
NUTS KERNELS SEEDS SHELLLED PREP NES	LB	10,875	11,010	5	7	08299
VEGETABLES, FRESH OR CHILLED N E S	LB	5,600		1		09199
VEGETABLES & VEG JUICES, CANNED NES	LB N	111,650	147,614	30	44	09599
BUBBLE GUM	LB		121,960		27	10402
CHOCOLATE CONFECTIONERY N E S	LB		32,451		8	10420
SUGAR CANDY N E S	LB		165,922		33	10449
COCOA BEANS	LB	1,637,276	328,939	353	109	11110
COCOA BUTTER	LB	224,000	552,690	142	287	11140
COCOA UNSWEETENED IN BLOCKS, CAKES	LB	4,969,787	5,018,532	724	716	11162
COCOA OR CHOCOLATE IN POWDER FORM	LB	245,936	559,947	33	91	11168
COFFEE, GREEN	LB	56,595,008	46,417,049	24,774	21,399	11210
INSTANT COFFEE	LB N	949,057	3,663,312	1,049	3,514	11230
TEA, BLACK	LB	653,530	607,783	243	239	11310
TEA, GREEN	LB		1,422			11320
PEPPER, GROUND OR UNGROUND	LB	57,660	44,000	25	16	11455
FLAVOURING EXTRACTS AND ESSENCES	LB	17,512	36,754	8	9	14640
FOOD PREPARATIONS N E S	LB	400	33,510		17	14699
LIQUEURS	P GAL	112	275	1	2	17360
TOBACCO, CIGAR LEAF, UNSTEMMED	LB	7,480		5		18130
CIGARS AND SIMILAR PRODUCTS	M	829	.900	10	11	18330
HIDE SECTIONS OR BELLIES, RAW				9	41	20195
FUR SKINS, UNDRESSED N E S	NO	22,662	9,813	665	275	20289
CASEIN	CWT	882		43		20910
ANIMAL MATERIALS USED IN MFRG DRUGS					6	20976
OIL SEEDS OIL NUTS OIL KERNELS NES	CWT		143		4	21299
CUT FLOWERS & DECOR. PLANT MAT. NES				41	70	21359
CRUDE VEG. MATERIALS INEDIBLE N E S				1	29	21599
LOGS, EXOTIC SPECIES	M B F		3		1	23179
HORSE HAIR	LB	1,349		2		24320
RAW COTTON	LB		8,057,495		2,637	24410
COTTON LINTERS AND CARDED SLIVER	LB	2,847,335	2,645,125	192	209	24430
COTTON WASTE N E S	LB	1,855,769	1,287,808	82	63	24459
SISAL AND AGAVE FIBRES, INCL. WASTE	LB	12,015,543	5,488,254	770	409	24550
IRON ORE	TON	100,372	39,984	1,090	352	25120
MANGANESE IN CRES AND CONCENTRATES	CWT	1,080,000	663,457	2,469	1,411	25840
METAL ORES CONCENTRATES & SCRAP NES	CWT	1,763	7,693	115	512	25899
DIAMONDS, INDUSTRIAL	CARAT	240		1		27410
DIAMOND DUST	CARAT	200		1		27420
GRANITE, ROUGH	TCN	15	75	1	3	27610
SILEX AND CRYSTALLIZED QUARTZ	TON		1	2		27659
UPPER LEATHER, CATTLE	SQ FT	11,653	645,647	5	343	30110
UPPER LEATHER, CALF AND WHOLE KIP	SQ FT	31,761		13		30120
UPPER LEATHER, GOAT AND KID	SQ FT		10,424		8	30130
UPPER LEATHER N E S	SQ FT	64,290	533,868	26	277	30199
SHOE LINING LEATHER CATTLE CALF KIP	SQ FT	6,015	35,335	2	10	30210
SHOE LINING LEATHER N E S	SQ FT	73,824	21,854	17	8	30299
SOLE LEATHER AND SOLE LEATHER WASTE	LB		3,769		3	30359
GLOVE & GARMENT LEATHER, SHEEP LAMB	SQ FT	36,220	9,130	11	4	30460
GLOVE AND GARMENT LEATHER N E S	SQ FT	420,070	1,305,773	144	510	30499
BAG, CASE AND STRAP LEATHER	SQ FT	135,384	486,271	49	226	30610
UPHOLSTERY LEATHER	SQ FT	10,498	463	5		30670
LEATHER SPLITS N E S	SQ FT	181,911	631,662	56	260	30680
LEATHER N E S	SQ FT	26,958	39,047	9	18	30699
LEATHER FABRICATED MATERIALS N E S				35	7	30899
FUR PLATES MATS ETC DRESSD DYED NES						31099
HARD RUBBER FABRICATED MATERIALS						32546
MOTOR VEHICLE PARTS OF RUBBER N E S						32558

COMMODITY		QUANTITY		VALUE	
		1971	1972	1971	1972
		\$,000		CLASS	
LUMBER, MAHOGANY	M B F	358	337	89	101 33165
LUMBER, EXOTIC SPECIES N E S	M B F	647	3,346	118	596 33179
DIMENSION-SAWN STOCK				39	518 33390
VENEER, MAHOGANY	SQ FT	2,165,943	286,108	66	9 33711
VENEER, HARDWOOD N E S	SQ FT	4,819,566	5,158,514	631	635 33719
PLYWOOD, HARDWOOD NES	SQ FT		302,286		21 33859
PLYWOOD, SOFTWOOD	SF3/8	577,635	674,101	48	69 33879
PARTICLE BOARD, RECONSTITUTED WOOD	SQ FT		8,455		1 33895
HANDLES GRIPS BACKS & LIKE PROD NES				1	3 33919
ROUGH-SHAPED BLANKS, BLOCKS N E S				1	3 33930
MOULDINGS, EXC. CONSTRUCTION TYPE					7 33977
WOOD FABRICATED MATERIALS N E S				4	4 33999
HARD BOARD	CWT	51,196	54,444	230	280 35760
WCCL YARN, WORSTED SPUN	LB	1,628	5,505	2	8 36330
WOOL YARN, WOOLLEN SPUN	LB		5,371		8 36350
COTTON THREAD FOR SEWING	LB	10,167	4,117	10	5 36405
COTTON YARN SINGLE 20 AND UNDER NES	LB	664,158	320,826	292	151 36445
COTTON YARN SINGLE OV 20 UND 40 NES	LB	689,825	454,843	338	235 36446
COTTON YARN SINGLE 40 AND FINER NES	LB	45,027	318	28	1 36447
COTTON YARN, PLIED N E S	LB	979,836	497,132	510	277 36468
ACRYLIC YARN	LB	60,912	1,626	51	2 36616
RAYON YARN, VISCOSE OR ACETATE	LB	861,356	2,049,286	492	1,198 36619
POLYESTER YARN	LB		38,994		37 36645
MIXED AND BLENDED FIBRE YARN N E S	LB		3,725		3 36789
BALER TWINE	LB	8,905,642	11,097,472	896	1,167 36903
CORDAGE AND TWINE N E S	LB		13,442		2 36949
ROPE NOT OVER 1.5 IN. CIRC. N E S	LB		138,932		18 36979
ROPE, OVER 1.5 INCHES N E S	LB		1,230		36999
DUCK AND ALLIED FABRICS, COTTON	LB	277,975	1,058,215	142	543 37302
DRILL TWILL WARP SATEEN COTTON UNBL	LB	141,051	205,877	64	104 37313
DRILL TWILL WARP SATEEN COT BLEACHD	LB	4,500	1,377	2	2 37315
DRILL TWILL WARP SATEEN COT COLORED	LB	103,622	164,271	80	177 37318
CHEESE BANDAGE TOBACCO CLOTH COTTON	LB		10,454		7 37322
BROADCLOTH & LT WT POPLIN COT COLOR	LB	159,865	399,867	150	412 37338
PRINT CLOTH & SHEETING COTTON UNBL.	LB	74,647	365,014	52	224 37343
FLANNEL NAPPED FABRIC COT UNBL & BL	LB		20,671		10 37354
FLANNEL NAPPED FABRIC COTTON COLOR	LB		7,960		8 37358
DENIMS, COTTON	LB	38,906	206,180	32	154 37362
CORDUROYS, COTTON, COLOURED	LB	392,557	82,178	440	135 37382
PILE FABRICS BROAD WOVEN COTTON NES	LB		355		1 37389
BROAD WOVEN FABRICS COTTON UNBL NES	LB		208,978		127 37393
BROAD WOVEN FABRICS COTTON BL N E S	LB	2,428	15,891	1	14 37395
BROAD WOVEN FABRICS COT COLORED NES	LB	22,523	246,935	24	255 37398
BROAD WOVEN FAB. OF 1 VEG FIBRE NES	LB		25,167		20 37449
RAYON BROAD WOVEN FABRICS	LB		67,950		124 37519
POLYESTER BROAD WOVEN FABRICS	LB	1,962		7	37545
BROAD WOV FAB. ONE MAN-MD FIBRE NES	LB		432		1 37559
BROAD WOVEN FAB. WOOL MIXTURES NES	LB	598		2	37739
RAYON MAN-MD MIX. BROAD WOV FAB NES	LB		18,779		22 37767
POLYESTER-COTTON BROAD WOVEN FABRIC	LB		79,414		175 37773
BROAD WOVEN MAN-MADE MIX. FAB. NES	LB		764		2 37775
BROAD WOVEN FAB. MIXED FIBRES N E S	LB	395	785	1	1 37789
NETTING N E S	LB		584		2 38159
KNITTED FABRICS, COTTON N E S	LB	47,568	793,333	43	706 38559
KNITTED FABRICS N E S	LB	375	782	1	2 38559
LACE FABRICS	LB	1,984	535	10	3 38609
BROAD COATED FABRICS N E S	LB		1,087		2 38779
CASTOR OIL	CWT	52,413	44,611	823	930 39308
VEGETABLE OILS AND FATS N E S	CWT	324	215	6	3 39395
CARNAUBA WAX	LB	320,228	238,089	116	94 39415
WAXES, ANIMAL AND VEGETABLE N E S	LB	4,410	4,356	2	2 39449
WATTLE EXTRACT	LB	229,366	134,598	29	16 39640
LEMON AND ORANGE OIL	LB	2,723	3,856	1	1 39716
PEPPERMINT OIL	LB	443	1,584	1	3 39720
ESSENTIAL OILS N E S	LB	2,990	2,717	6	5 39739
NITRITES AND NITRATES N E S	CWT	1,000	500	2	2 40391
MENTHOL, NATURAL AND SYNTHETIC	CWT	360	546	193	262 40765
TARTARIC ACID	CWT		440		16 40984
OXYGEN FUNCTION ACIDS AND DERIV NES	CWT	550	440	13	11 40998
AMINE FUNCTION COMPOUNDS N E S	CWT	20		1	41125
POLYETHYLENE FILM AND SHEET	CWT		375		15 42433
POLYPROPYLENE FILM AND SHEET	CWT	3			42453
FERRO-ALLOYS N E S	TON	108	2,368	289	1,099 44199
PIG IRON	TON		1,123		54 44219
TIN BLOCKS, PIGS AND BARS	CWT		548		91 45608
BOLTS & HEADED OR THREADED RODS NES					46506
NUTS, LOCK NUTS AND STOP NUTS N E S					46508
WOOD SCREWS, METAL					7 46512
SCREWS N E S				18	23 46519
PADLOCKS, INCLUDING KEYS					21 46556
LOCK PARTS AND BLANK KEYS					46564
CHAIN, POWER TRANSMISSION, CONVEYOR				4	4 46609
CHAIN NES, INCL SHACKLES & FITTINGS					2 46699
VALVES, BRASS N E S				37	104 46829
WIRE FABRICATED BASIC PRODUCTS NES					2 46959
METAL FABRICATED BASIC PRODUCTS NES					19 46959

COMMODITY		QUANTITY		VALUE	
		1971	1972	1971	1972
		\$,000		CLASS	
GRANITE, SHAPED OR DRESSED				2	47104
MARBLE, SHAPED OR DRESSED				1	47108
NATURAL STONE BASIC PRODUCTS N E S					47149
CERAMIC TILES FLOOR WALL 2 1/2 & OV SQ FT	8,754	3,300	3	1	47235
WINDOW GLASS OVER 30 OZ/SQ. FT. SQ FT		50,000		5	47306
METALLIC CARBIDE INSERTS				6	47666
GEM AND ORNAMENTAL STONES N E S			36	39	47825
MICA BLOCKS SHEETS AND GROUND MICA CWT		10		2	47933
MINERAL ACOUSTIC AND CEILING TILES SQ YD		45,843		24	49407
ACOUSTIC & CEILING TILES PANELS NES SQ YD	124,109	374,508	53	156	49409
FLOOR AND WALL TILES N E S SQ YD	1,777		4		49449
HOODS AND SHAPES, NON-TEXTILE DOZ	4,000	2,000	3	1	49601
WIPING RAGS			14	56	49644
GASKETS EXCEPT RUBBER AND ASBESTOS				1	49652
ELEC. INDUCTION MOTORS, 1HP & OVER NO	161		31		50367
ELEC. MOTORS, UNIVERSAL & OTHER NES NO	143	25	31	4	50369
BEARINGS & PARTS FOR MOTOR VEHICLES			1		50401
BALL BEARINGS, UNMOUNTED N E S					50405
PULLEYS BELT FOR POWER TRANSMISSION					50469
INDUSTRIAL HOISTS AND LIFTS NO	15		13		51327
PARTS OF INDUSTRIAL HOISTS & LIFTS			6		51328
ROCK DRILL PARTS N E S			6		52105
LATHES, METALWORKING, AND PARTS NES NO	42	13	53	18	52308
CUTTING TOOLS FOR METALWRK MACH NES					52396
KNITTING MACHINE NEEDLES M	10	139	1	6	52736
KNITTING MACHINERY AND PARTS N E S			53	48	52740
CIGARETTE MAKING MACHINERY & PARTS			7		52864
HAY AND STRAW BALERS AND PARTS NO				2	54325
PASSENGER AUTOMOBILES NES & CHASSIS NO		1	2		58149
PARTS OF MOTOR VEHICLE ENGINES NES				13	58849
PARTS & ACCESS. FOR MOTOR VEH. NES			20	97	58999
PTS & ACCESS. FOR SHIPS & BOATS NES			3	1	59339
BICYCLES NO		5			61108
PASSENGER CAR TIRES, PNEUMATIC, NEW NO	1,100	300	15	2	62105
ELECTRONIC RECEIVING TUBES NC	7,800	22,858	6	21	63816
PARTS OF ELECTRONIC TUBES N E S					63829
CAPACITORS, ELECTRONIC AND PARTS			39	4	63910
RESISTORS, ELECTRONIC, AND PARTS			4	26	63915
ELECTRIC LIGHTING FIXT & PARTS NES				4	68199
TRANSFORMERS N E S NO		1,000		1	68379
WIRING DEVICES AND PARTS					68869
PARTS OF ELECTRIC EQUIP FOR ENGINES			11		68995
SURGICAL INSTRUMENTS CF STEEL & PTS				1	70631
DENTAL INSTRUMENTS, EQUIPMENT & PTS			8	19	70651
OPTICAL MICROSCOPES & PTS EXC LENS NO	5	12	4	13	70710
OPTICAL APPARATUS & INSTR & PTS NES				1	70729
AUTO & A/C SERVICE EQUIP & PTS NES			5	98	73069
FURNITURE, WOODEN, HHOLD, NOT UPHOL			67	256	74012
FURNITURE, HOUSEHOLD, UPHOLSTERED			2	18	74016
FURNITURE FRAMES & HHOLD FURN. NES					74059
SAFES & PTS FIRE- BURGLAR-RESISTANT				2	75536
WRENCHES AND PARTS					
HUNTING KNIVES NO	100	110			75823
SCISSORS, SHEARS AND TRIMMERS NO	112,771	203,136	100	188	75865
MANICURE AND PEDICURE IMPLEMENTS					75866
CUTLERY N E S				1	75899
BRCOMBS AND WHISKIS DOZ	204				76113
PAINT AND VARNISH BRUSHES DOZ	806		1		76124
ADDING MACHINES AND PARTS NO		1		2	77108
CARD PUNCHING, SORT & TAB MACH & PT				56	77120
CASH REGISTERS NO	12		2		77126
PARTS ATTACH ACCESS FOR TYPEWRITERS				1	77160
UNDERWEAR MADE FROM WOVEN FABRICS NO	540	1,602		4	78119
UNDERWEAR N E S NO	7,128	55,891	6	35	78149
PYJAMAS, SLEEPWEAR WOMENS AND GIRLS NO		800		1	78195
SLEEPWEAR N E S NO		23,712		14	78199
BATHING SUITS, EXCEPT KNITTED NO	678		1		78304
BATHROBES DRESSING GOWNS HOUSECOATS NC		2,384		4	78309
OVERCOATS & TOPCOATS WOMENS & GIRLS NO		136		5	78321
DRESSES, COTTON, EXCEPT KNITTED NO		2,988		6	78323
DRESSES, MAN-MADE FIBRE, EXC. KNIT. NO		221		2	78324
SPORTS COATS AND BLAZERS NC		3,000		7	78328
PANTS SLACKS, WOMENS & GIRLS COTTON NC		161,932		256	78356
SUITS, FINE SLACK & SPORT, EXC KNIT NO		756		2	78369
PANTS, MENS AND BOYS, COTTON NO	3,648		3		78373
PANTS MEN & BOY POLYESTER-COT BLEND NO		1,200		3	78375
OUTERWEAR SFTS WOMEN GIRLS EXC KNIT NO		16,800		41	78395
OUTERWEAR, EXCEPT KNITTED N E S NO	57				78399
BATHING SUITS, KNITTED NO		3,931		6	78404
SWEATERS CARDG MENS BOYS KNITD WOOL NO		1,188		20	78440
SWEATERS WOMEN GIRL KNT M-M FIB NES NO		12,000		6	78447
SWEATERS & CARDIGANS, KNITTED N E S NO		21,600		26	78449

COMMODITY		QUANTITY		VALUE	
		1971	1972	1971	1972
		\$,000			CLASS
SHORTS, OUTERWEAR, KNITTED	NO		1,236		1 78451
HEADWEAR N E S	DOZ	13	1,200		4 78649
FOUNDATION GARMENTS	DOZ		1,038		8 78921
WOMENS HANDBAGS AND PURSES	DOZ	478	6,001	17	243 78952
BILLFOLDS, WALLETS AND COIN PURSES	DOZ		48		1 78959
APPAREL ACCESSORIES N E S				4	16 78999
SLIPPERS AND HOUSE FOOTWEAR	PAIR	4,800	672	6	3 79390
WATERPROOF RUBBER FOOTWEAR	PAIR	5,400	960	6	1 79481
COWBOY BOOTS	PAIR	3,000	828	25	1 79891
ATHLETIC FOOTWEAR N E S	PAIR		1,872		6 79895
WOODEN FOOTWEAR	PAIR	12,882	14,853	30	29 79896
UTILITY FOOTWEAR, FABRIC TOPS	PAIR		3,744		2 79897
FOOTWEAR N E S	PAIR	500,705	748,662	1,270	2,666 79899
JEWELLERY OF PRECIOUS METALS					2 81017
COSTUME JEWELLERY N E S				2	11 81027
WRIST WATCHES	NO		32		2 82004
GAMES AND ENTERTAINMENT EQUIP N E S					1 83709
DOLLS					2 83711
TUFTED RUGS, MATS AND RUNNERS	SQ YD	16			84459
CARPETS, RUGS, MATS AND RUNNERS NES				3	4 84499
DRAPERIES & TAPESTRIES EXCEPT RUGS	LB		50		84510
BEDSPREADS, TEXTILE	NO	900	1,500	4	7 84601
BLANKETS N E S	NO	2,542	617	6	2 84639
SHEETS, BED, COTTON	NO		54,120		70 84643
PILLOW CASES, COTTON	NO		56,040		15 84653
TABLECLOTHS	LB	133,873	31,714	83	29 84711
TABLE NAPKINS, TEXTILE	LB	3,802		4	84715
TOWELS, COTTON, TERRY	LB	350,878	47,095	188	41 84803
TOWELS, COTTON N E S	LB	30,977	42,518	26	54 84805
TOWELS, LINEN	LB		7,405		5 848C7
TOWELS N E S	LB	498			84810
WASHCLOTHS, BATH MATS AND SETS NES	LB	19,390	1,422	15	2 84839
HOUSE FURNISHINGS AND SUPPLIES NES				24	84999
COOKING UTENSILS AND PARTS N E S					85019
KITCHEN AND TABLE CUTLERY N E S				4	10 85059
TABLEWARE, CERAMIC					1 85062
TUMBLER & STEMWARE GLASS OR CRYSTAL				3	85063
TABLEWARE N E S					1 85069
SEWING MACHINES, DOMESTIC	NO		1,509		50 86209
PARTS OF DOMESTIC SEWING MACHINES				1	86216
LUGGAGE N E S	NO	1,400	485	2	4 86499
TCILET AND COSMETIC BRUSHES N E S				1	86520
CIG LIGHTER LIGHTERCASE COMB BUTANE DOZ			500		4 86625
CIG. LIGHTERS, LIGHTERCASE COMB NES DOZ			1,000		4 86626
SMOKERS ACCESSORIES N E S				2	86640
TRAYS					3 86712
HHOLD BASKETS BOXES CANS & BAGS NES					2 86716
ART AND DECORATIVE WARE, GLASS					2 86730
ART AND DECORATIVE WARE N E S				3	17 86732
HOUSEHOLD & PERSONAL EQUIP & PT NES					1 86759
PENICILLIN					17 87223
ANTIBIOTICS N E S					35 87299
MEDICINAL & PHARMACEUTICAL PROD NES					18 87599
SPECTACLE AND EYEGLASS FRAMES	NO		2,844		31 88312
OPHTHALMIC GOODS N E S					15 88399
BOOKS AND PAMPHLETS NES EXC ENGLISH					1 89341
BOOKS AND PAMPHLETS N E S					89349
TOURIST LITERATURE				4	89581
ADVERTISING MATTER PRINTED N E S					89589
STRINGED INSTRUMENTS AND PARTS NES	NO	268	313	7	6 92165
ACCORDIONS, CONCERTINAS AND PARTS	NO		110		2 92176
SHOTGUNS	NO	22,570	35,050	278	424 93001
RIFLES, RIMFIRE, NON-MILITARY	NO	8,900	9,420	144	144 93007
PISTOLS & REVOLVERS, NON-MILITARY	NO		107		2 93012
FIREARMS, NON-MILITARY NES & PARTS	NO				4 93016
AMMUNITION PARTS, NON-MILITARY					1 93039
PAINTINGS AND PASTELS, MADE BY HAND	NO		2	788	8 94608
SCULPTURES AND STATUES, ORIGINAL	NO			6	94620
ANTIQUES AT LEAST 100 YEARS OLD NES					4 94630
COLLECTIONS & COLLECTORS ITEMS NES					94640
SIGNS AND ADVERTISING DISPLAYS NES					94929
ARTIFICIAL & ORNAMENTAL FLOWERS ETC					94952
NON-ELEC LIGHTING FIXTURES & PT NES				5	3 94966
NOVELTIES AND ART GOODS N E S					94995
SHIPPING CONTAINERS GLASS & PTS NES					5 95036
BOXES & CARTONS, PAPERBOARD & PARTS					19 95045
SHIPPING CONTAINERS, TEXTILE					95075
SHIPPING CONTAINRS PLASTIC & PT NES					19 95079
BOTTLE CAPS N E S					5 95089
ACCESS FOR CONTAINRS EXC BOTTLE CAP					6 95096
LEATHER END PRODUCTS N E S					1 96109
MOTOR AND STEAMER RUGS, LAP RUGS	NO	2,650		6	96154
TEXTILE END PRODUCTS N E S					96159
GLASS MIRRORS					1 96174
IMPORT PACKING, RE-USABLE NOT DESCRIPTIVE				4	48 97010
GOODS RETURNED WITHIN FIVE YEARS				65	63 97030
SHIPMENTS OF LESS THAN \$200.00 EACH				51	74 97075
TOTAL				50,698	61,698 ****

